

Saigon Securities Incorporation

Consolidated financial statements

31 December 2016



Saigon Securities Incorporation

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Saigon Securities Incorporation

GENERAL INFORMATION

THE COMPANY

Saigon Securities Incorporation ("the Company") is a joint stock company established under the Corporate Law of Vietnam, Operating License No. 3041/GP-UB dated 27 December 1999 issued by the Ho Chi Minh City People's Committee and the first Business Registration No. 056679 dated 30 December 1999 issued by Ho Chi Minh City Department of Planning and Investment. The Company operates under Securities Trading License No. 03/GPHDKD issued by the State Securities Commission on 5 April 2000 and subsequent amended licenses.

The Company's initial charter capital was VND 6,000,000,000. The charter capital has been supplemented from time to time in accordance with amended licenses. As at 31 December 2016, in accordance with the latest Amended License No. 02/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 12 January 2017, the Company's total charter capital was VND 4,900,636,840,000.

The Company's primary activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service and margin lending service. The Company's Head Office is located at 72 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2016, the Company has branches located in Ho Chi Minh City, Hanoi, Hai Phong, Vung Tau and Nha Trang, and transaction offices located in Ho Chi Minh City and Hanoi.

As at 31 December 2016, the Company has two (02) directly owned subsidiaries, one (01) indirectly owned subsidiary and three (03) associates.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are as follows:

<i>Name</i>	<i>Title</i>	<i>Election</i>
Mr. Nguyen Duy Hung	Chairman	Re-elected on 23 April 2015
Mr. Nguyen Hong Nam	Member	Re-elected on 25 April 2014
Mr. Ngo Van Diem	Member	Re-elected on 20 April 2012
Mr. Bui Quang Nghiem	Member	Re-elected on 25 April 2014
Mr. Nguyen Duy Khanh	Member	Elected 23 April 2015
Mr. Hironoki Oka	Member	Elected 23 April 2015

BOARD OF SUPERVISION

Members of Board of Supervision during the year and at the date of this report are as follows:

<i>Name</i>	<i>Title</i>	<i>Election</i>
Mr. Nguyen Van Khai	Head of the Board of Supervision	Re-elected on 25 April 2016
Mr. Dang Phong Luu	Member	Re-elected on 23 April 2015
Ms. Ho Thi Huong Tra	Member	Re-elected on 20 April 2012

MANAGEMENT

Members of the Management during the year and at the date of this report are as follows:

<i>Name</i>	<i>Title</i>	<i>Appointment/Reappointment</i>
Mr. Nguyen Duy Hung	Chief Executive Officer	Appointed on 5 March 2007
Mr. Nguyen Hong Nam	Deputy Chief Executive Officer	Re-appointed on 5 September 2003

Saigon Securities Incorporation

GENERAL INFORMATION (continued)

LEGAL REPRESENTATIVE

The legal representative of the Company for the year ended 31 December 2016 and at the date of this report is Mr. Nguyen Duy Hung, Chairman of the Board of Directors cum Chief Executive Officer.

AUDITORS

The auditors of the Company are Ernst & Young Vietnam Limited.

Saigon Securities Incorporation

REPORT OF MANAGEMENT

Management of Saigon Securities Incorporation ("the Company") is pleased to present its report and the Company's consolidated financial statements as at and for the year ended 31 December 2016.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year that give a true and fair view of the consolidated state of affairs of the Company and of the consolidated results of its operations, its consolidated cash flows and consolidated changes in owners' equity for the year. In preparing those consolidated financial statements, Management is required to:

- ▶ select suitable accounting policies and apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Management is responsible for ensuring that proper accounting records are kept to disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company as at 31 December 2016 and of the consolidated results of its operations, its consolidated cash flows and its consolidated changes in owners' equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of consolidated financial statements.

For and on behalf of Management:



Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

27 March 2017

Reference No.: 60755007/18665513-HN

INDEPENDENT AUDITORS' REPORT

**To: The shareholders of
Saigon Securities Incorporation**

We have audited the consolidated financial statements of Saigon Securities Incorporation (the "Company") and its subsidiaries, as prepared on 27 March 2017 and set out on pages 6 to 88 which comprise the consolidated statement of financial position as at 31 December 2016, the consolidated income statement, the consolidated cash flow statement and the consolidated statement of changes in owners' equity for the year then ended and the notes thereto.

Management's responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of the consolidated financial statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



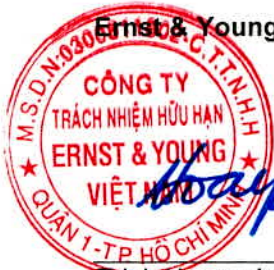
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Auditors' opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company and its subsidiaries as at 31 December 2016, and of the consolidated results of their operations, their consolidated cash flows and their changes in owners' equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited



Trinh Hoang Anh
Partner
Audit Practising Registration
Certificate No. 2071-2013-004-1

Tran Mai Thao
Auditor
Audit Practising Registration
Certificate No. 2466-2013-004-1

Ho Chi Minh City, Vietnam

27 March 2017

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2016

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
100	A. CURRENT ASSETS		11,884,989,070,539	10,974,951,947,412
110	I. Financial assets		11,786,485,397,072	10,733,304,674,029
111	1. Cash and cash equivalents	5	308,564,964,314	746,360,295,275
111.1	a. Cash		201,151,935,146	511,360,295,275
111.2	b. Cash equivalents		107,413,029,168	235,000,000,000
112	2. Financial assets at fair value through profit and loss (FVTPL)	7.1	1,425,667,503,090	1,088,372,380,148
113	3. Held-to-maturity (HTM) investments	7.3	5,243,743,725,184	4,431,399,641,147
114	4. Loans	7.4	3,779,178,042,796	3,634,072,568,580
115	5. Available-for-sale (AFS) financial assets	7.2	959,826,110,723	803,351,191,599
116	6. Provision for impairment of financial assets and mortgage assets	8	(28,431,004,933)	-
117	7. Receivables	9	53,619,347,570	7,701,827,470
117.1	7.1 Receivables from disposal of financial assets		53,486,347,570	2,531,847,570
117.2	7.2 Receivables and accruals from dividend and interest income		133,000,000	5,169,979,900
117.3	7.2.1 Receivables from due dividend and interest income		133,000,000	133,000,000
117.4	7.2.2 Accruals for undue dividend and interest income		-	5,036,979,900
118	8. Advances to suppliers	9	21,135,273,595	11,301,258,947
119	9. Receivables from services provided by the Company	9	36,101,403,942	9,353,388,977
120	10. Other receivables	9	3,002,523,445	4,823,233,846
121	11. Provision for impairment of receivables	9	(15,922,492,654)	(3,431,111,960)
130	II. Other current assets	10	98,503,673,467	241,647,273,383
131	1. Advances		9,231,952,863	3,278,848,232
133	2. Short-term prepaid expenses		7,665,228,021	8,548,603,317
134	3. Short-term deposits, collaterals and pledges		893,430,260	851,648,005
137	4. Other current assets		80,713,062,323	228,968,173,829

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2016

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
200	B. NON-CURRENT ASSETS		1,342,980,181,165	1,178,479,650,116
210	I. Long-term financial assets		750,343,966,349	687,417,114,391
212	1. Long-term investments	11	750,343,966,349	687,417,114,391
212.1	1.1. HTM investments		41,007,379,429	50,000,000,000
212.3	1.2. Investment in associates		709,336,586,920	637,417,114,391
220	II. Fixed assets		131,416,882,683	131,682,063,084
221	1. Tangible fixed assets	12	12,569,448,484	14,797,817,761
222	1.1. Cost		89,953,237,422	87,250,084,078
223a	1.2. Accumulated depreciation		(77,383,788,938)	(72,452,266,317)
227	2. Intangible fixed assets	13	118,847,434,199	116,884,245,323
228	2.1. Cost		173,208,004,861	167,521,245,561
229a	2.2. Accumulated amortisation		(54,360,570,662)	(50,637,000,238)
230	III. Investment properties	14	261,341,171,964	268,409,921,032
231	1. Cost		314,275,801,824	311,647,615,101
232a	2. Accumulated depreciation		(52,934,629,860)	(43,237,694,069)
240	IV. Construction in progress	15	46,777,509,012	298,340,000
250	V. Other long-term assets		153,100,651,157	90,672,211,609
251	1. Long-term deposits, collaterals and pledges		19,105,729,716	17,287,240,210
252	2. Long-term prepaid expenses	16	25,895,763,102	2,405,087,368
253	3. Deferred income tax assets	17	88,099,158,339	50,979,884,031
254	4. Payment for Settlement Assistance Fund	18	20,000,000,000	20,000,000,000
260	VI. Provision for impairment of long-term assets		-	-
270	TOTAL ASSETS		13,227,969,251,704	12,153,431,597,528

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2016

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
300	C. LIABILITIES		6,075,402,095,022	5,425,822,583,238
310	I. Current liabilities		5,841,951,456,398	4,702,545,475,813
311	1. Short-term borrowings and financial leases	20	4,819,340,678,085	3,913,847,967,537
312	1.1. Short-term borrowings		4,819,340,678,085	3,913,847,967,537
316	2. Short-term bonds	21	376,000,000,000	-
318	3. Payables for securities trading activities	22	39,617,787,653	308,942,165,126
320	4. Short-term trade payables	23	9,261,510,278	4,847,340,451
321	5. Short-term advance to customers		4,141,733,170	4,893,483,331
322	6. Statutory obligation	24	73,816,803,238	91,848,160,110
323	7. Payables to employees		4,726,744,169	3,908,502,405
324	8. Employee benefits		168,596,552	6,742,952
325	9. Short-term accrued expenses	25	62,998,576,869	63,406,571,076
327	10. Short-term unearned revenue		244,986,666	-
329	11. Other short-term payables	26	300,115,900,807	194,911,136,262
331	12. Bonus and welfare fund		151,518,138,911	115,933,406,563
340	II. Non-current liabilities		233,450,638,624	723,277,107,425
346	1. Long-term bonds	21	199,651,666,665	687,500,000,000
351	2. Long-term unearned revenue	27	33,511,108,968	33,511,108,968
352	3. Long-term deposits received		230,577,141	453,246,599
356	4. Deferred income tax payable	17	57,285,850	1,812,751,858
400	D. OWNERS' EQUITY	28	7,152,567,156,682	6,727,609,014,290
410	I. Owners' equity		7,152,567,156,682	6,727,609,014,290
411	1. Share capital		4,927,409,917,200	4,825,142,703,161
411.1	1.1. Capital contribution		4,900,636,840,000	4,800,636,840,000
411.1a	a. Ordinary shares		4,900,636,840,000	4,800,636,840,000
411.2	1.2. Share premium		29,265,860,000	29,285,860,000
411.4	1.3. Other capital		-	(4,609,514,439)
411.5	1.4. Treasury shares		(2,492,782,800)	(170,482,400)
412	2. Difference from revaluation of assets at fair value	40	(2,689,490,143)	(3,123,757,542)
413	3. Foreign exchange rate differences		34,056,420,954	31,013,180,718
414	4. Charter capital supplementary reserve		311,560,605,893	268,076,952,217
415	5. Operational risk and financial reserve		227,053,011,209	183,569,357,533
417	6. Undistributed profit		1,576,075,507,357	1,341,790,215,838
417.1	6.1. Realized profit	28.1	1,727,170,255,230	1,528,039,483,892
417.2	6.2. Unrealized profit	28.1	(151,094,747,873)	(186,249,268,054)
418	7. Non-controlling interests		79,101,184,212	81,140,362,365
420	II. Other sources and funds		-	-
440	TOTAL LIABILITIES AND OWNERS' EQUITY		13,227,969,251,704	12,153,431,597,528

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2016

OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	Ending balance	Opening balance (restated)
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
005	Foreign currencies			
	<i>USD</i>	29.1	5,028,241.29	4,994,977.50
	<i>EUR</i>	29.1	57,765.13	-
006	Outstanding shares (number of shares)	28.4	489,825,250	480,057,365
007	Treasury shares (number of shares)	28.4	238,434	6,319
008	Financial assets listed/registered for trading at Vietnam Securities Depository of the Company (VND)	29.2	959,988,530,000	854,638,390,000
009	Non-traded financial assets deposited at Vietnam Securities Depository of the Company (VND)	29.3	10,552,040,000	24,690,050,000
010	Financial assets awaiting for arrival of the Company (VND)	29.4	4,660,000	1,587,550,000
012	Financial assets which have not been deposited at Vietnam Securities Depository of the Company (VND)	29.5	461,520,310,000	72,162,610,000
013	Entitled financial assets of the Company (VND)		2,430,000	1,760,000
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	Financial assets listed/registered for trading at Vietnam Securities Depository of investors (VND)	29.6	26,872,935,050,000	22,222,371,140,000
021.1	<i>Unrestricted financial assets</i>		22,283,452,350,000	18,135,210,430,000
021.2	<i>Restricted financial assets</i>		682,966,010,000	748,571,050,000
021.3	<i>Mortgaged financial assets</i>		3,600,644,250,000	2,759,764,320,000
021.4	<i>Blocked financial assets</i>		15,664,600,000	-
021.5	<i>Financial assets awaiting for settlement</i>		290,207,840,000	578,825,340,000

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2016

OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
022	Non-traded financial assets deposited at Vietnam Securities Depository ("VSD")	29.7	1,652,187,760,000	1,013,478,320,000
022.1	<i>Unrestricted and non-traded financial assets deposited at VSD</i>		1,447,750,000,000	527,060,230,000
022.2	<i>Restricted and non-traded financial assets deposited at VSD</i>		102,298,110,000	139,726,810,000
022.3	<i>Mortgaged and non-traded financial assets deposited at VSD</i>		102,139,650,000	346,691,280,000
023	Financial assets awaiting for arrival of investors	29.8	277,151,500,000	512,019,620,000
024b	Financial assets unlisted/unregistered at VSD of investors	29.9	40,192,750,000	22,912,500,000
025	Entitled financial assets of investors	29.10	49,722,960,000	21,859,170,000
026	Investors' deposits		1,630,987,771,952	1,244,049,806,891
027	Investors' deposits for securities trading activities managed by the Company	29.11	1,616,354,145,533	1,239,463,316,338
028	Investors' synthesizing deposits for securities trading activities	29.11	5,034,657,285	2,192,903,193
030	Deposits of securities issuers	29.12	9,598,969,134	2,393,587,360
031	Payables to investors - investors' deposits for securities trading activities managed by the Company	29.13	1,616,354,145,533	1,239,463,316,338
031.1	- <i>Payables to domestic investors for securities trading activities managed by the Company</i>		1,509,185,425,722	1,136,419,483,706
031.2	- <i>Payables to foreign investors for securities trading activities managed by the Company</i>		107,168,719,811	103,043,832,632

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2016

OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
032	Payables to securities issuers	29.14	8,894,522,160	81,800,000
035	Dividend, bond principal and interest payables	29.15	704,446,974	2,311,787,360

Ms. Hoang Thi Minh Thuy
Chief Accountant

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer



Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

27 March 2017

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2016

Code	ITEMS	Notes	Current year VND	Previous year (restated) VND
	I. OPERATING INCOME			
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		722,296,311,579	603,499,177,813
01.1	1.1. Gain from disposal of financial assets at FVTPL	30.1	528,554,451,781	204,039,816,705
01.2	1.2. Gain from revaluation of financial assets at FVTPL	30.2	152,456,070,613	360,098,887,258
01.3	1.3. Dividend, interest income from financial assets at FVTPL	30.3	41,285,789,185	39,360,473,850
02	2. Gain from held-to-maturity (HTM) investments	30.3	344,890,502,306	194,038,113,177
03	3. Gain from loans and receivables	30.3	429,400,211,341	297,393,256,685
04	4. Gain from available-for-sale (AFS) financial assets	30.3	75,010,273,478	40,681,868,509
06	5. Revenue from brokerage services		381,169,657,999	287,588,703,038
07	6. Revenue from underwriting and issuance agency services		11,238,000,000	12,390,049,452
08	7. Revenue from securities investment advisory services		33,282,441,007	13,652,830,477
09	8. Revenue from securities custodian services		9,582,231,035	7,363,367,773
10	9. Revenue from financial advisory services		95,374,902,451	31,051,206,125
11	10. Revenue from other operating activities	32	114,524,308,025	59,860,140,340
20	Total operating revenue		2,216,768,839,221	1,547,518,713,389
	II. OPERATING EXPENSES			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		226,194,728,553	172,948,769,284
21.1	1.1. Loss from disposal of financial assets at FVTPL	30.1	107,924,651,851	44,709,454,119
21.2	1.2. Loss from revaluation of financial assets at FVTPL	30.2	117,301,550,432	128,239,315,165
21.3	1.3. Transaction costs of acquisition of financial assets at FVTPL		968,526,270	-
23	2. Loss from revaluation of AFS financial assets arising from reclassification		1,233,535,166	-
24	3. Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	31	177,853,152,433	506,369,514
26	4. Expenses for proprietary trading activities		3,031,991,259	273,979,827
27	5. Expenses for brokerage services	33	302,635,295,291	223,408,493,002
28	6. Expenses for underwriting and issuance agency services	33	-	30,000,000
29	7. Expenses for securities investment advisory services	33	14,205,710,814	11,522,471,372
30	8. Expenses for securities custodian services	33	14,217,781,607	11,074,672,752
31	9. Expenses for financial advisory services	33	26,015,542,418	15,192,643,403
32	10. Other operating expenses	33, 34	82,252,708,235	60,051,852,813
40	Total operating expenses		847,640,445,776	495,009,251,967

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2016

Code	ITEMS	Notes	Current year VND	Previous year (restated) VND
	III. FINANCE INCOME			
41	1. Realized and unrealized gain from changes in foreign exchange rates		146,819,024	6,002,789
42	2. Dividend, interest income from demand deposits		21,595,000,566	37,618,596,063
43	3. Gain from disposal of investments in subsidiaries, associates and joint ventures		-	107,833,951,553
44	4. Other interest income (Share of profit in associates)	11	73,457,661,737	109,964,025,810
50	Total finance income	35	95,199,481,327	255,422,576,215
	IV. FINANCE EXPENSES			
51	1. Realized and unrealized loss from changes in foreign exchange rates		188,578,824	49,913,132
52	2. Borrowing costs		269,221,826,624	125,206,111,513
60	Total finance expenses	36	269,410,405,448	125,256,024,645
61	V. SELLING EXPENSES		-	-
62	VI. GENERAL AND ADMINISTRATIVE EXPENSES	37	140,593,608,205	133,916,451,407
70	VII. OPERATING PROFIT		1,054,323,861,119	1,048,759,561,585
	VIII. OTHER INCOME AND EXPENSES			
71	Other income		2,628,448,016	5,207,458,436
72	Other expenses		126,449,020	169,378,964
80	Total other operating profit	38	2,501,998,996	5,038,079,472
90	IX. PROFIT BEFORE TAX		1,056,825,860,115	1,053,797,641,057
91	Realized profit		1,021,671,339,934	821,938,068,964
92	Unrealized profit		35,154,520,181	231,859,572,093
100	X. CORPORATE INCOME TAX (CIT) EXPENSES	39	181,829,180,212	213,937,559,932
100.1	Current CIT expense	39.1	220,703,920,528	201,803,574,229
100.2	Deferred CIT (income)/expense	39.2	(38,874,740,316)	12,133,985,703
200	XI. PROFIT AFTER TAX		874,996,679,903	839,860,081,125
201	1. Profit after tax attributable to the Parent Company's owners		877,035,858,056	841,566,556,381
202	2. Profit after tax attributable to reserves		61,392,510,064	59,633,400,252
203	3. Profit after tax attributable to non-controlling interest		(2,039,178,153)	(1,706,475,256)

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2016

Code	ITEMS	Notes	Current year VND	Previous year (restated) VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		1,056,825,860,115	1,053,797,641,057
02	2. Adjustments for:		(547,985,279,914)	(519,939,678,558)
03	Depreciation and amortization expense		18,206,356,391	21,129,376,800
04	Provisions		12,491,380,694	465,333,883
06	Interest expenses		269,313,493,289	125,206,111,513
07	Gain from investment activities		(303,523,403,257)	(295,210,251,165)
08	Accrued interest income		(545,379,920,119)	(377,435,600,771)
09	Other adjustments		906,813,088	5,905,351,182
10	3. Increase in non-monetary expenses		146,966,090,531	128,239,315,165
11	Loss from revaluation of financial assets at FVTPL		117,301,550,432	128,239,315,165
13	Loss from impairment of loans		28,431,004,933	-
14	Loss from revaluation of AFS financial assets arising from reclassification		1,233,535,166	-
18	Decrease in non-monetary income		(152,456,070,613)	(360,098,887,258)
19	Gain from revaluation of financial assets at FVTPL		(152,456,070,613)	(360,098,887,258)
30	Operating profit before changes in working capital		503,350,600,119	301,998,390,406
31	Increase in financial assets at FVTPL		(303,374,137,930)	(153,194,917,051)
32	(Increase)/decrease in HTM investments		699,738,982,082	(54,108,722,078)
33	Increase in loans		(145,105,474,216)	(1,532,839,464,605)
34	Increase in AFS financial assets		(167,207,209,943)	(119,759,468,681)
35	Increase in receivables from disposal of financial assets		(50,954,500,000)	(260,170,000)
37	(Increase)/decrease in receivables from services provided by the Company		(26,918,424,600)	466,038,239
39	Decrease in other receivables		6,678,953,786	91,055,556,910
40	Decrease/(increase) in other assets		147,298,363,103	(1,543,077,252)
41	Increase in payable expenses (excluding interest expenses)		14,475,876,517	126,092,661
42	Increase prepaid expenses		(27,603,968,238)	(4,464,770,160)
43	Current income tax paid		(244,437,916,359)	(150,005,958,158)
44	Interest expenses paid		(284,596,104,749)	(76,983,956,945)
45	Increase in trade payables		4,420,863,801	1,140,247,222
46	Increase/(decrease) in welfare benefits		2,990,600	(27,106,993)
47	Increase/(decrease) in statutory obligations		5,702,846,752	(9,064,127,691)
48	Increase in payables to employees		818,241,764	246,640,131
50	Decrease in other payables		(171,623,597,740)	(82,605,034,370)
51	Other receipts from operating activities		575,402,759,035	379,245,169,732
	- Interest received		561,567,025,235	379,241,944,732
	- Other receipts		13,835,733,800	3,225,000
52	Other payments for operating activities		(39,743,402,871)	(41,077,202,125)
60	Net cash flows from/(used in) operating activities		496,325,740,913	(1,451,655,840,808)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2016

Code	ITEMS	Notes	Current year VND	Previous year (restated) VND
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
61	Purchase and construction of fixed assets, investment properties and other long-term assets		(63,666,232,151)	(6,101,959,114)
62	Proceeds from disposal and sale of fixed assets, investment properties and other long-term assets		3,545,455	12,136,004
63	Cash payments for investment in subsidiaries, associates, joint ventures and other investments		(3,944,187,436,000)	(2,675,258,783,950)
64	Cash receipt from capital withdrawal from subsidiaries, associates, joint ventures and other investments		2,421,100,000,000	479,451,087,904
65	Dividends from long-term investments received		239,913,927,673	144,899,477,072
70	Net cash flow used in investing activities		(1,346,836,195,023)	(2,056,998,042,084)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
71	Cash receipt from issuance of bonds, or capital contributed by shareholders		99,980,000,000	152,453,860,000
72	Repayment of capital contributed by shareholders, repurchase of issued shares		(2,322,300,400)	(170,427,500)
73	Drawdown of borrowings		32,403,034,307,330	19,821,505,132,020
73.2	- Other borrowings		32,403,034,307,330	19,821,505,132,020
74	Repayment of borrowings		(31,609,041,596,782)	(16,726,284,631,360)
74.3	- Other repayment of borrowings		(31,609,041,596,782)	(16,726,284,631,360)
76	Dividends, profit distributed to shareholders		(478,935,287,000)	(138,324,000)
80	Net cash flow from financing activities		412,715,123,148	3,247,365,609,160

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2016

<i>Code</i>	<i>ITEMS</i>	<i>Notes</i>	<i>Current year VND</i>	<i>Previous year (restated) VND</i>
90	NET DECREASE IN CASH DURING THE YEAR		(437,795,330,962)	(261,288,273,732)
101	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5	746,360,295,275	1,007,648,569,007
101.1	Cash		505,442,808,091	632,648,569,007
101.2	Cash equivalents		235,000,000,000	375,000,000,000
102	Foreign exchange rate differences		5,917,487,184	-
103	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	308,564,964,314	746,360,295,275
103.1	Cash		200,205,959,020	505,442,808,091
103.2	Cash equivalents		107,413,029,168	235,000,000,000
104	Foreign exchange rate differences		945,976,126	5,917,487,184

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2016

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS

<i>Code</i>	<i>ITEMS</i>	<i>Notes</i>	<i>Current year VND</i>	<i>Previous year VND</i>
	I. Cash flows from brokerage and trust activities of the customers			
01	1. Cash receipts from disposal of brokerage securities of customers		76,974,085,890,096	54,774,857,771,475
02	2. Cash payments for acquisition of brokerage securities of customers		(82,179,697,180,977)	(58,413,755,103,364)
07	3. Cash receipts for settlement of securities transactions of customers		7,335,183,804,235	4,828,197,619,154
09	4. Cash payments for custodian fees of customers		(9,562,903,693)	(17,999,254,643)
12	5. Cash receipt from securities issuers		177,843,005,200	789,476,803,616
13	6. Cash payment to securities issuers		(1,910,914,649,800)	(1,661,731,345,344)
20	Net increase in cash during the year		386,937,965,061	299,046,490,894
30	II. Cash and cash equivalents of customers at the beginning of the year		1,244,049,806,891	945,003,315,997
31	Cash at banks at the beginning of the year:		1,244,049,806,891	945,003,315,997
32	- Investors' deposits managed by the Company for securities trading activities		1,239,463,316,338	943,333,972,189
33	- Investors' synthesizing deposits for securities trading activities		2,192,903,193	810,026,688
35	- Deposits of securities issuers		2,393,587,360	859,317,120

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2016

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS (continued)

Code	ITEMS	Notes	Current year VND	Previous year VND
40	III. Cash and cash equivalents of the customers at the end of the year (40 = 20 + 30)		1,630,987,771,952	1,244,049,806,891
41	Cash at banks at the end of the year:		1,630,987,771,952	1,244,049,806,891
42	- Investors' deposits managed by the Company for securities trading activities	29.11	1,616,354,145,533	1,239,463,316,338
43	- Investors' synthesizing deposits for securities trading activities	29.11	5,034,657,285	2,192,903,193
45	- Deposits of securities issuers	29.12	9,598,969,134	2,393,587,360



Ms. Hoang Thi Minh Thuy
Chief Accountant



Ms. Nguyen Thi Thanh Ha
Chief Financial Officer




Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

27 March 2017

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY
for the year ended 31 December 2016

ITEMS	Notes	Opening balance		Increase/(decrease)				Ending balance	
		01/01/2015	01/01/2016	Previous year		Current year		31/12/2015	31/12/2016
		VND	VND	Increase	Decrease	Increase	Decrease	VND	VND
		1	2	3	4	5	6	7	8
I. CHANGES IN OWNERS' EQUITY									
1. Share capital		3,875,960,835,783	4,825,142,703,161	1,291,940,352,500	(342,758,485,122)	106,289,284,881	(4,022,070,842)	4,825,142,703,161	4,927,409,917,200
1.1. Ordinary share	28.2	3,537,949,420,000	4,800,636,840,000	1,262,687,420,000	-	100,000,000,000	-	4,800,636,840,000	4,900,636,840,000
1.2. Share premium		342,196,810,218	29,285,860,000	29,423,360,000	(342,334,310,218)	-	(20,000,000)	29,285,860,000	29,265,860,000
1.3. Other capital		(4,185,339,535)	(4,609,514,439)	-	(424,174,904)	8,611,585,281	(4,002,070,842)	(4,609,514,439)	-
1.4. Treasury share		(54,900)	(170,482,400)	(170,427,500)	-	(2,322,300,400)	-	(170,482,400)	(2,492,782,800)
2. Charter capital supplementary reserve		228,753,241,307	268,076,952,217	39,323,710,910	-	43,483,653,676	-	268,076,952,217	311,560,605,893
3. Operational risk and financial reserve		144,245,646,623	183,569,357,533	39,323,710,910	-	43,483,653,676	-	183,569,357,533	227,053,011,209
4. Difference from revaluation of financial assets at fair value		(13,462,919,042)	(3,123,757,542)	16,932,658,299	(6,593,496,799)	2,596,845,764	(2,162,578,365)	(3,123,757,542)	(2,689,490,143)
5. Foreign exchange rate differences		-	31,013,180,718	31,013,180,718	-	3,043,240,236	-	31,013,180,718	34,056,420,954
6. Undistributed profit		1,455,453,294,270	1,341,790,215,838	970,121,976,062	(1,083,785,054,494)	994,337,408,488	(760,052,116,969)	1,341,790,215,838	1,576,075,507,357
6.1. Realized profit	28.1	1,923,556,624,130	1,528,039,483,892	560,028,599,095	(955,545,739,333)	841,881,337,875	(642,750,566,537)	1,528,039,483,892	1,727,170,255,230
6.2. Unrealized profit	28.1	(468,103,329,860)	(186,249,268,054)	410,093,376,967	(128,239,315,161)	152,456,070,613	(117,301,550,432)	(186,249,268,054)	(151,094,747,873)
7. Non-controlling interest		82,855,645,584	81,140,362,365	-	(1,715,283,219)	-	(2,039,178,153)	81,140,362,365	79,101,184,212
TOTAL		5,773,805,744,525	6,727,609,014,290	2,388,655,589,399	(1,434,852,319,634)	1,193,234,086,721	(768,275,944,329)	6,727,609,014,290	7,152,567,156,682

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (continued)
for the year ended 31 December 2016

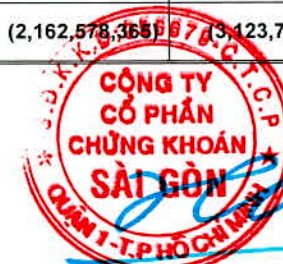
Items	Notes	Opening balance		Increase/(Decrease)				Ending balance	
		01/01/2015	01/01/2016	Previous year		Current year		31/12/2015	31/12/2016
				Increase	Decrease	Increase	Decrease		
		VND	VND	VND	VND	VND	VND	VND	VND
A	B	1	2	3	4	5	6	7	8
II. OTHER COMPREHENSIVE INCOME									
Gain/(loss) from revaluation of AFS financial assets	40	(13,462,919,042)	(3,123,757,542)	16,932,658,299	(6,593,496,799)	2,596,845,764	(2,162,578,365)	(3,123,757,542)	(2,689,490,143)
TOTAL		(13,462,919,042)	(3,123,757,542)	16,932,658,299	(6,593,496,799)	2,596,845,764	(2,162,578,365)	(3,123,757,542)	(2,689,490,143)



Ms. Hoang Thi Minh Thuy
Chief Accountant



Ms. Nguyen Thi Thanh Ha
Chief Financial Officer



Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

27 March 2017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2016 and for the year then ended

1. CORPORATE INFORMATION

Saigon Securities Incorporation ("the Company") is a joint stock company established under the Corporate Law of Vietnam, Operating License No. 3041/GP-UB dated 27 December 1999 issued by Ho Chi Minh City People's Committee and the first Business Registration No. 056679 dated 30 December 1999 issued by Ho Chi Minh City Department of Planning and Investment. The Company operates under Securities Trading License No. 03/GPHDKD issued by the State Securities Commission on 5 April 2000 and subsequent amended licenses.

The Company's initial charter capital was VND 6,000,000,000. The charter capital has been supplemented from time to time in accordance with amended licenses. As at 31 December 2016, in accordance with the latest Amended License No. 02/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 12 January 2017, the Company's total charter capital was VND 4,900,636,840,000.

The Company's primary activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service and margin lending services. The Company's Head Office is located at 72 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2016, the Company has branches located in Ho Chi Minh City, Hanoi, Hai Phong, Vung Tau and Nha Trang, and transaction offices located in Ho Chi Minh City and Hanoi.

The number of the Company's employees as at 31 December 2016 was 720 persons (31 December 2015: 616 persons).

Company's operation

Capital

As at 31 December 2016, total charter capital of the Company is VND 4,900,636,840,000, owners' equity including non-controlling interests is VND 7,152,567,156,682, total assets is VND 13,227,969,251,704.

Investment objectives

As the biggest listed securities company in Vietnam stock market, the Company's principal activities are to provide brokerage service, securities trading, finance and investment advisory service, custodian service and underwriting for securities issues. The Company's goals are to become a partner with clients, to focus all resource and initiatives to bring success to all stakeholders.

Investment restrictions

The Company is required to comply with Article 44 under Circular No. 210/2012/TT-BTC dated 30 November 2012 providing guidance on establishment and operation of securities companies, Circular No. 07/2016/TT-BTC dated 18 January 2016 amended some articles of Circular No. 210/2012/TT-BTC and other applicable regulations on investment restrictions. The current applicable practices on investment restrictions are as follows:

- ▶ Securities company is not allowed to purchase, contribute capital to invest in real-estate assets except for the purpose of use for head office, branches, and transaction offices directly serving professional business activities of the securities company.
- ▶ Securities company may invest in real-estate investment and fixed assets on the principle that the carrying value of the fixed assets and real-estate investment should not exceed fifty percent (50%) of the total value of assets of the securities company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2016 and for the year then ended

1. CORPORATE INFORMATION (continued)

Investment restrictions (continued)

- ▶ Securities company is not allowed to use more than seventy percent (70%) of its owners' equity to invest in corporate bonds. Securities company, licensed to engage in self-trading activity, is allowed to trade listed bonds in accordance with relevant regulation on trading Government bonds.
- ▶ Securities company must not by itself, or authorize another organization or individuals to: Invest in shares or contribute capital to companies that owned more than fifty percent (50%) of the charter capital of the securities company, except for purchasing of odd lots at the request of customers; Make joint investment with an affiliated person of five percent (5%) or more in the charter capital of another securities company; Invest more than twenty percent (20%) in the total currently circulating shares or fund certificates of a listing organization; Invest more than fifteen percent (15%) in the total currently circulating shares or fund certificates of an unlisted organization, this provision shall not apply to member fund certificates; Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited liability company or of a business project; Invest more than fifteen percent (15%) of its owners' equity in a single organization or of a business project; Invest more than seventy percent (70%) of its total equity in shares, capital contribution and a business project, specifically invest more than twenty percent (20%) of its total owners' equity in unlisted shares, capital contribution and a business project.
- ▶ Securities company is allowed to establish or purchase an asset management company as a subsidiary. In that case, securities company is not required to follow the above restrictions.

Subsidiaries

As at 31 December 2016, the Company had two (02) directly owned subsidiaries as follows:

<i>Company name</i>	<i>Established under</i>	<i>Business sector</i>	<i>Charter capital</i>	<i>% holding</i>
SSI Asset Management Company Ltd. (SSIAM)	Operating License No.19/UBCK- GP dated 03 August 2007	Investment fund management and investment portfolio management	VND30 billion	100%
SSI Investment Member Fund (SSI IMF)	Approval Letter of Member Fund Foundation No.130/TB-UBCK dated 27 July 2010	Investments in securities and other investible assets, including real estates	VND390 billion	80%

In addition, as at 31 December 2016, the Company had one (01) indirectly owned subsidiary named SSI International Corporation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

1. CORPORATE INFORMATION (continued)

Associates

As at 31 December 2016, the Company had three (03) indirectly owned associates presented on the consolidated financial statements as follows:

<u>Name</u>	<u>Business establishment</u>	<u>Sector</u>	<u>Charter capital (VND)</u>
The Pan Group (PAN)	Business Registration No. 0301472704 dated 23 March 2016 issued by Ho Chi Minh City Department of Planning and Investment (13 th amended license). At the initial stage, the company operated under Business Registration No. 4103003790 dated 31 August 2005. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Cultivation, farming; Livestock services; Post-harvest services; Cultivation services activities; House cleaning services; Investment advisory services (except for financial advisory); Management advisory services (except for finance, economics and law); Market research services.	1,023,724,970,000
Vietnam Fumigation Joint Stock Company (VFG)	Vietnam Fumigation Joint Stock Company is transformed from a State - owned enterprise, so called Vietnam Fumigation Company under Ministry of Agriculture and Rural Development, in accordance with Decision No. 70/QD-TTG dated 3 May 2001 issued by Prime Minister of the Socialist Republic of Vietnam. The company operates under the first Business Registration No. 0302327629 dated 31 December 2001 issued by Ho Chi Minh City Department of Planning and Investment and the 23 rd amended license dated 11 September 2015. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Production, processing, carton boxes, packaging; plant protection products and fumigating materials; Rendering of fumigating services, eradication of harmful animals for agricultural and forestry products, and other materials; Trading of pesticide, plant protection materials, fumigation materials; Trading of materials and chemicals for agricultural production (except for toxic substances); Fertilizer wholesale; Handling, maintenance, sanitation in factories, warehouses, offices services; Anti - termite service; Anti-termite service for construction works; Renting office, warehouse; Goods inspection; Caring service for agricultural products; Wholesale corn and other grains.	182,854,360,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

1. **CORPORATE INFORMATION** (continued)

Associates (continued)

<u>Name</u>	<u>Business establishment</u>	<u>Sector</u>	<u>Charter capital (VND)</u>
Dong Nai Port Joint Stock Company	<p>The company was initially a State-owned enterprise, so called Dong Nai Port Company under Dong Nai Department of Transport, privatised under Decision No. 3004 dated 24 August 2015 issued by People's Committee of Dong Nai Province.</p> <p>The company operates under the first Business Registration No. 4703000301 dated 4 January 2006 and subsequent amended Business Registration No. 3600334112 dated 27 December 2009, 27 December 2010 and 19 March 2016 issued by Dong Nai Department of Planning and Investment.</p> <p>The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.</p>	Warehouses and wharf services; Loading and unloading, transportation of goods in and out of the port; Loading and unloading equipment and vehicles repairs services; Agents and maritime services; Fuel supply services; Building materials trading; Entertainment services for ship's crews; Infrastructure and real estate investment and business.	123,479,870,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

2. BASIS OF PRESENTATION

2.1 *Applied accounting standards and system*

The consolidated financial statements of the Company are prepared and presented in accordance with Vietnamese Enterprise Accounting System, the accounting regulation and guidance applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 amending, supplementing and replacing Appendices No. 02 and No. 04 of Circular No. 210/2014/TT-BTC, Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on financial regime applicable to securities companies and asset management companies and other Vietnamese Accounting Standards promulgated by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

2.2 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of Saigon Securities Incorporation (the parent company) and its subsidiaries as at 31 December 2016.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the parent company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the parent company and subsidiaries are prepared for the same reporting period using the consistent accounting policies.

All intra-company balances, incomes and expenses, and unrealized gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries which are not held by the Company, and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

2.3 *Registered accounting documentation system*

The Company's registered accounting documentation system is the General Journal Voucher system.

2.4 *Fiscal year*

The Company's fiscal year starts on 1 January and ends on 31 December.

The Company also prepares its interim financial statements for the six-month period from 1 January to 30 June and its quarterly financial statements for the three-month periods ended 31 March, 30 June, 30 September and 31 December each year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

2. BASIS OF PRESENTATION (continued)

2.5 Accounting currency

The consolidated financial statements are prepared in Vietnam dong ("VND"), which is the accounting currency of the Company.

3. STATEMENT ON COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS

Management confirms that the Company has complied with Vietnamese Accounting Standards and Vietnamese Enterprise Accounting Systems in preparing the consolidated financial statements.

Accordingly, the accompanying consolidated income statement, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in owners' equity and notes to the consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Changes in accounting policies and disclosures

On 30 December 2014, the Ministry of Finance issued Circular No. 210/2014/TT-BTC providing guidance on accounting policies applicable to securities companies ("Circular 210"). This Circular replaces Circular No. 95/2008/TT-BTC dated 24 October 2008 of the Ministry of Finance providing guidance on accounting policies applicable to securities companies and Circular No. 162/2010/TT-BTC dated 20 October 2010 amending and supplementing Circular No. 95/2008/TT-BTC. Circular 210 is applicable to fiscal years beginning on or after 1 January 2016. Circular 210 prescribes contents concerning accounting vouchers, system of accounting accounts as well as method of preparing and presenting the financial statements of securities companies.

On 27 December 2016, the Ministry of Finance issued Circular No. 334/2016/TT-BTC amending, supplementing and replacing Appendices No. 02 and No. 04 of Circular No. 210/2014/TT-BTC dated 30 December 2014 ("Circular 334").

Circular 210 and Circular 334 lead to the following significant changes:

- ▶ Changes in name and content of the financial statements: balance sheet is renamed as statement of financial position, statement of cash flows from brokerage and trust activities of investors is separately presented as a part of the basic financial statements.
- ▶ Financial assets are categorised into four (4) groups: financial assets at fair value through profit and loss, available-for-sale financial assets, held-to-maturity investments and loans.
- ▶ Assets and liabilities of securities companies and investors (including deposits, securities investment and payable accounts) are separately managed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.1 *Changes in accounting policies and disclosures* (continued)

In addition, Circular 210 and Circular 334 provide guidance on measurement of financial assets, particularly, all financial assets are initially recognized at cost and are subsequently recognized as follow:

- ▶ Financial assets at fair value through profit and loss (FVTPL): are recognized at cost. In case they are recognized at fair value, such recognition must comply with current Accounting Law. Gains or losses arisen from the revaluation of these assets are recognized in the income statement.
- ▶ Available-for-sale (AFS) financial assets: are recognized at fair value. Any gain or loss arisen from revaluation of AFS financial assets is recognized directly in owners' equity (Other comprehensive income), except for provision for impairment in value of AFS financial assets.

As the fair value basis has not been allowed to be applied under the current Accounting Law, AFS financial assets are subsequently recognised at cost.

- ▶ Held-to-maturity (HTM) financial assets: are recognized at amortised cost based on effective interest rate method.
- ▶ Loans: are recognized at amortised cost based on effective interest method.

Circular 210 and Circular 334 are applied for fiscal years beginning on or after 1 January 2016.

The Company has restated the comparative figures of previous year in accordance with requirements of Circular 210 and Circular 334 as presented in Note 44.7 to the consolidated financial statements.

4.2 *Standards and regulations issued but not yet taken effect*

On 20 November 2015, the National Assembly of Vietnam passed the Law on Accounting No. 88/2015/QH13 ("the new Accounting Law"). The new Accounting Law extends its governing scope to electronic accounting documents and allows the application of fair value basis for some types of assets and liabilities whose value frequently varies in line with market fluctuation, provided that the fair value of these assets and liabilities can be reliably determined. The new Accounting Law takes effect from 1 January 2017.

4.3 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

Cash deposited by customers for securities trading and cash deposited by securities issuers are presented off-balance sheet.

4.4 *Financial assets at fair value through profit and loss (FVTPL)*

Financial assets recognized at fair value through profit and loss are financial assets that satisfy either of the following conditions:

- a) It is classified as held for trading. A financial asset is classified as held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
 - there is evidence of a recent actual pattern of short-term profit-taking; or
 - it is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 *Financial assets at fair value through profit and loss (FVTPL)* (continued)

- b) Upon initial recognition, a financial asset is designated by the entity as at fair value through profit and loss as it meets one of the following criteria:
- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the asset or recognising gains or losses on a different basis; or
 - The assets and liabilities are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

Financial assets at FVTPL are initially recognized at cost (acquisition cost of the assets excluding transaction cost arising from the purchase) and subsequently recognized at cost less reduction in value arising from revaluation of the assets. Increase in value of the assets is not recognised into the financial statements as the prevailing Law on Accounting has not allowed the use of fair value basis. The reduction in value arising from revaluation is calculated as the difference between the cost of a financial asset at FVTPL and its market value determined in accordance with the guidance under Circular No. 146/2014/TT-BTC.

Increase in the negative difference arising from revaluation of financial assets at FVTPL is recognized into the consolidated income statement under "Loss from revaluation of financial assets at FVTPL". Decrease in the negative difference arising from revaluation is recognized into the consolidated income statement under "Gain from revaluation of financial assets at FVTPL".

Transaction costs relating to the purchase of the financial assets at FVTPL are recognized when incurred as expenses in the consolidated income statement.

4.5 *Held-to-maturity investments (HTM)*

Held-to-maturity investments are non-derivative financial assets with determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than:

- a) those that the entity upon initial recognition designates as at fair value through profit or loss;
- b) those that the entity designates as available-for-sale; and
- c) those meet the definition of loans and receivables.

Held-to-maturity investments are initially recognized at cost (acquisition cost of the assets plus (+) transaction costs which are directly attributable to the investments such as brokerage fee, trading fee, issuance agency fee and banking transaction fee). After initial recognition, held-to-maturity financial investments are subsequently measured at amortized cost using the effective interest rate ("EIR").

Amortized cost of HTM financial investments is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or irrecoverability (if any).

The effective interest rate method is a method of calculating the cost allocation on interest income or interest expense in the period of a financial assets or a group of HTM investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 *Held-to-maturity investments (HTM)* (continued)

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial assets or liabilities.

HTM investments are subject to an assessment of impairment at the consolidated financial statements date. Provision is made for an HTM investment when there is any objective evidence that the investment is unrecoverable or there is uncertainty of recoverability, resulting from one or more events that has occurred after the initial recognition of the investment and that event has an impact on the estimated future cash flows of the investment that can be reliably estimated. Evidence of impairment may include a drop in the fair value/market value of the investment, indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. When there is any evidence of impairment, provision for an HTM investment is determined as the negative difference between its fair value and amortized cost at the assessment date. Any increase/decrease in the balance of provision is recognized in the income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

4.6 *Loans*

Loans are non-derivative financial assets with fixed or identifiable payments and not listed on the market, with the exceptions of:

- a) The amounts the entity has the intent to immediately sell or will sell in a near future which are classified as assets held for trading, and like those which, upon initial recognition, the entity categorized as such recognized at fair, value through profit or loss statements;
- b) The amounts categorized by the entity as available-for-sale upon initial recognition; or
- c) The amounts whose holders cannot recover most of the initial investment value not due to credit quality impairment and which are categorized as available-for-sale.

Loans are recognized initially at cost (disbursement amount of the loans). After initial recognition, loans are subsequently measured at amortized cost using the effective interest rate ("EIR").

Amortized cost of loans is the amount at which the loans is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or irrecoverability (if any).

Loans are subject to an assessment of impairment at the consolidated financial statements date. Provision is made for loan based on its estimated loss which is determined by the negative difference between the market value of securities used as collaterals for such loan and the loan balance. Any increase/decrease in the balance of provision is recognized in the income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.7 Available-for-sale (AFS)

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as:

- a) loans and receivables;
- b) held-to-maturity investments; or
- c) financial assets at fair value through profit or loss.

AFS financial assets are recognized initially at cost (acquisition cost plus (+) transaction costs which are directly attributable to the purchase of the financial assets). After initial recognition, available-for-sale financial assets are subsequently measured at cost less reduction in value arising from revaluation, as the prevailing Law on Accounting does not allow the use of fair value basis. Accordingly, the reduction in value due to revaluation is calculated by the difference between fair value and cost of the assets at the assessment date.

Any increase or decrease in the negative difference arising from the revaluation of AFS financial assets in comparison with previous is recognized under "*Gain/(loss) from revaluation of AFS financial assets*" in "*Other comprehensive income after tax*" which is a part of the consolidated income statement.

As at the consolidated financial statement date, the Company assessed whether there is any objective evidence that an AFS financial asset is impaired. Any increase/decrease in the balance of provision is recognized in the income statement under "*Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans*".

- ▶ Where an equity instrument is classified as available-for-sale, evidence of impairment include a significant or prolonged decline in the fair value of the investment below its original cost. 'Significant' is to be evaluated against the original cost of the asset and 'prolonged' indicates the period in which the fair value has been below its original cost. When any evidence of impairment exists, provision is determined as the difference between the AFS asset's cost and fair value at the assessment date.
- ▶ Where a debt instrument is classified as available-for-sale, the assessment of impairment is conducted using the same criteria as those applied for HTM investments. When there is any evidence of impairment, provision for an AFS asset is determined as the negative difference between its fair value and amortized cost at the assessment date.

4.8 Fair value/market value of financial assets

Fair value/market value of the securities is determined in accordance with Circular No. 146/2014/TT-BTC as follows:

- ▶ For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, their market prices are their closing prices on the trading day preceding the date of setting up the provision.
- ▶ For securities registered for trading on UPCOM, their market prices are their average closing prices on the trading day preceding the date of setting up the provision.
- ▶ For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest financial report date.
- ▶ The market price for unlisted securities and securities unregistered for trading used as a basis for setting up the provision is the average of actual trading prices quoted by 3 securities companies conducting transactions at the latest date preceding the revaluation date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Fair value/market value of financial assets (continued)

For provision making purpose, fair value is the market price of the securities at the latest trading date which must be within one month to the date of provision making.

For securities which do not have reference price from the above sources, the impairment is determined based on the financial performance and the book value of securities issuers as at the assessment date.

4.9 Derecognition of financial assets

A financial asset (or part of a group of similar financial assets) is derecognized when:

- ▶ The rights to receive cash flows from the assets have expired; or
- ▶ The Company has transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:
 - the Company has transferred substantially all the risks and rewards of the assets, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The continued participation in transferred assets in the form of guarantee will be recognized at smaller value between the initial carrying value of the assets and the maximum amount that the Company is required to pay.

4.10 Reclassification of financial assets

Reclassification when selling financial assets other than FVTPL

When selling financial assets other than FVTPL, securities companies are required to reclassify those financial assets to financial assets at FVTPL. The difference arising from the revaluation of financial assets AFS which was recognized in "Gain/(loss) from revaluation of AFS financial assets" will be recognized as corresponding revenue or expenses at the date of reclassification of financial assets AFS.

Reclassification due to change in purpose or ability to hold

Securities companies are allowed to reclassify financial assets to their applicable categories if their purpose or ability to hold have changed, consequently:

- ▶ Non-derivative financial assets at FVTPL or financial assets that are not required to be classified as financial asset at FVTPL at the initial recognition can be classified as loans and other receivables or as cash and cash equivalents if the requirements are met. The gains or losses arising from revaluation of financial assets at FVTPL prior to the reclassification are not allowed to be reversed.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 *Reclassification of financial assets* (continued)

- ▶ Due to changes in purposes or ability to hold, some HTM investments are required to be reclassified into AFS financial assets and to be revaluated at fair value. The difference arising from revaluation between carrying value and fair value are recognized in the income statement under "Gain/loss from revaluation at fair value".

4.11 *Investments in associates*

An associate is an entity in which the Company has significant influence but that is neither subsidiaries nor joint ventures. The Company generally deems they have significant influence if they have over 20% of the voting rights.

The Company's investments in associates are accounted for using the equity method of accounting.

Under the equity method, the investment is initially carried in the consolidated statement of financial position at cost. In term of the acquisition, the difference between cost of the investment and the determinable net asset fair value in correspondence with the Company's shares in associate at the acquisition date is defined as goodwill. Negative goodwill is recognized in "Other investment revenue (share of profits/(loss) in associates)" of the consolidated income statement. Positive goodwill will be reflected in the value of investment in associate of the consolidated statement of position.

When determining the determinable fair value of net assets in associates, the Company applies principles and suppositions as follows:

- ▶ Fair value of cash and short term deposit, payables to suppliers and other short term liabilities approximates their carrying value due to their short term;
- ▶ Fair value of receivables is determined based on estimation of recoverability, therefore, the Company estimates fair value at the cost less provisions for receivables;
- ▶ Fair value of financial investments is determined at market prices;
- ▶ Fair value of fixed assets approximates their cost less accumulated depreciation
- ▶ Fair value of the qualification in the auditors' report in the audited financial statements of associates is determined as zero (0); and
- ▶ Fair value of other immaterial assets and debts is determined as their carrying value.

After the initial recognition, the investment is adjusted to changes of the Company's share in associates' post-acquisition net assets. The consolidated income statement reflects the share of the post-acquisition results of operation of the associates. Changes in net asset value of associates, including changes arisen from revaluation of fixed assets and investments, foreign exchange differences and differences arisen from consolidation of associates are not reflected in the consolidated income statement, but recognized directly in "Undistributed profit" in the consolidated statement of financial position.

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend receivable from associates is deducted from the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period as the Company, using the same accounting policies. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 *Recognition of mortgaged financial assets*

During the year, the Company had mortgaged/pledged financial assets which are used as collaterals for financial obligations of the Company.

According to the terms and conditions of the mortgage/pledge contracts, during the valid period of the contracts, the Company is not allowed to sell, transfer or use the mortgaged/pledged assets under repurchase or swap contracts with any other third party.

In case the Company is unable to fulfil its obligations, the mortgagee/pledgee is allowed to use the mortgaged/pledged assets to settle the obligations of the Company after a period specified in the mortgage/pledge contracts, since the obligations due date.

The mortgaged/pledged assets are monitored in the Company's consolidated statement of financial position in accordance with accounting principles relevant to the assets' classification.

4.13 *Receivables*

Receivables are initially recorded at cost and subsequently always presented at cost.

Receivables are subject to review for impairment based on their overdue status or estimated loss arising from undue debts of corporate debtors who have bankruptcy or are under liquidation; or of individual debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the provision balance are recorded as "Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans" in the consolidated income statement.

The Company has made provision for doubtful receivables in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by the Ministry of Finance. Accordingly, the provision rates for overdue receivables are as follows:

<u>Overdue period</u>	<u>Provision rate</u>
From over six (6) months to less than one (1) year	30%
From one (1) year to less than two (2) years	50%
From two (2) years to less than three (3) years	70%
From three (3) years and above	100%

4.14 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.15 *Intangible fixed assets*

Intangible assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and other expenditures are charged to the income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

4.16 *Depreciation and amortisation*

Depreciation and amortisation of tangible and intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and architectures	6 years
Office machineries	3 years
Means of transportation	6 years
Office equipment	3 - 5 years
Software	3 years
Land use rights with indefinite life	not amortised
Other intangible fixed assets	2 years

4.17 *Investment properties*

Investment properties are stated at cost, inclusive of related transaction fees less accumulated depreciation.

Subsequent expenditure relating to an investment property that has already been recognised is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortisation of the property is calculated on a straight-line basis over the estimated useful life of each asset. The depreciation period is 27.5 years.

4.18 *Operating lease*

Whether an agreement is determined as a property lease agreement depends on the nature of the agreement at the beginning: whether the implementation of the agreement depends on the use of a certain asset and whether the agreement includes clauses on the use rights of the asset.

Rentals respective to operating leases are charged to the income statement on a straight-line basis over the term of the lease.

4.19 *Prepaid expenses*

Prepaid expenses, including short-term prepaid expenses and long-term prepaid expenses in the statement of financial position, are amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.19 *Prepaid expenses* (continued)

The following types of expenses are recorded as prepaid expenses and are amortised over the period from one (1) years to three (3) years to the income statement:

- ▶ Office renovation expenses;
- ▶ Office rental expenses; and
- ▶ Office tools and consumables

4.20 *Repurchase agreements*

Securities sold under the agreements to be repurchased at a specified future date ("repos") are not derecognized from the statement of financial position. The corresponding cash received is recognized in the statement of financial position as a liability. The difference between the sale price and repurchase price is treated as interest expense and is accrued in the income statement over the life of the agreement using the straight-line method.

4.21 *Borrowings and bonds issuance*

Borrowings and bonds issued by the Company are recorded and stated at cost of the balance at the end of the financial year.

4.22 *Payables and accrued expenses*

Payables and accrued expenses are recognized for amounts to be paid in the future for bonds interest payables, goods and services received, whether or not billed to the Company.

4.23 *Employee benefits*

4.23.1 *Post-employment benefits*

Post-employment benefits are paid to retired employees of the Company by the Social Insurance Agency, which belongs to the Ministry of Labour and Social Affairs. The Company is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 18% of an employee's basic salary on a monthly basis. The Company has no further obligation to fund the post-employment benefits of its employees, other than the liability to pay Social Insurance Agency on a monthly basis.

4.23.2 *Severance pay*

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. Since 1 January 2009, the average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Increase or decreases to the accrued amount other than actual payment to employee will be taken to the income statement.

This accrued severance pay will be used to perform payment to employee when terminating labour contract in accordance with the Labour Code.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.23 *Employee benefits* (continued)

4.23.3 *Unemployment allowance*

According to prevailing regulations, the Company is required to pay the unemployment insurance at 1% of salary fund of employees who engage in the unemployment insurance program and to deduct 1% from each employer's basic salary to contribute to the Unemployment Insurance Fund.

4.24 *Foreign currency transactions*

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates of commercial banks at transaction dates. At the end of the period, monetary balances denominated in foreign currencies are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly.
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the period and arisen from the revaluation of monetary accounts denominated in foreign currencies at the end of the period are taken to the consolidated income statement.

4.25 *Treasury shares*

Equity instruments issued by the Company which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the income statement upon purchase, sale, issue or cancellation of the Company's own equity instruments.

4.26 *Conversion of subsidiaries' financial statements into parent company's accounting currency*

Subsidiaries' financial statements which are prepared in the foreign currency that is different from the Parent Company's accounting currency are converted into the Parent Company's accounting currency for consolidation purpose. Actual transaction exchange rates used for converting subsidiaries' financial statements are determined as follows:

- ▶ For assets, the exchange rate used for translation is the banking buying rate at the reporting date;
- ▶ For liabilities, the exchange rate for translation is the banking selling rate at the reporting date.
- ▶ If the gap between the banking buying rate and banking selling rate does not exceed 0.2%, the Company is allowed to apply the average exchange rate.
- ▶ All items on the income statement and cash flow statement are converted using the actual exchange rate at the time of the transaction. Average exchange rate is allowed to be applied if it approximates the actual exchange rate at the time of the transaction (the difference is 2% or less). If the gap between the exchange rate at the beginning of the year and at the end of the year is higher than 20%, the Company shall apply the exchange rate at the end of the year.

Foreign exchange rate difference arising from the translation of subsidiary's financial statements is accumulatively reflected in "Foreign exchange rate difference" item of the Owners' Equity section of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.27 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of receipts or receivables less trade discount, concessions and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from brokerage services

Where the contract outcome can be reliably measured, revenue is recognized by reference to the stage of completion. Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent of the expenses recognized which are recoverable.

Revenue from trading of securities

Revenue from trading of securities is determined by the difference between the selling price and the weighted average cost of securities sold.

Other income

Revenues from irregular activities other than turnover-generating activities are recorded to other incomes as stipulated by VAS 14 – “Revenue and other income”, including: Revenues from asset liquidation and sale; fines paid by customers for their contract breaches; collected insurance compensation; collected debt which had been written off and included in the preceding period expenses; payable debts which are now recorded as revenue increase as their owners no longer exist; collected tax amounts which now are reduced and reimbursed; and other revenues.

Interest income

Revenue is recognized on accrual basis (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividends

Income is recognized when the Company's entitlement as an investor to receive the dividend is established, except for dividend received in shares in which only the number of shares is updated.

Properties leasing revenue

Properties leasing revenue is recognized into operational result on a straight-line basis over the leasing contract life.

Other revenues from rendering services

Where the contract outcome can be reliably measured, revenue is recognised by reference to the stage of completion.

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised which are recoverable.

4.28 Borrowing costs

Borrowing costs include accrued interest and other expenses which are directly attributable to the Company's borrowings and bonds issued.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.29 *Cost of securities sold*

The Company applies moving weighted average method to calculate cost of equity securities sold and specific identification method to calculate cost of debt securities sold.

4.30 *Corporate income tax*

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the report date.

Current income tax is charged or credited to the income statement, except when it relates to items recognized directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilized, except where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to a certain extent that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset realized or the liability is settled based on tax rates and tax laws that have been enacted at the reporting date. Deferred tax is recorded to the income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.31 Owners' equity

Contributed capital from shareholders

Contributed capital from stock issuance is recorded in Charter Capital at par value.

Undistributed profit

Undistributed profit comprises of realised and unrealised undistributed profit.

- ▶ Unrealised profit of the period is the difference between gain and loss arisen from revaluation of financial assets at FVTPL or other financial assets through profit and loss in the consolidated income statement.
- ▶ Realised profit during the period is the net difference between total revenue and income, and total expenses in the income statement of the Company, except for gain or loss arisen from revaluation of financial assets recognized in unrealised profit.

Reserves

According to Circular No. 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014, securities companies are required to make appropriation of profit after tax to the following reserves:

	<u>Percentage of profit after tax</u>	<u>Maximum balance</u>
Charter Capital Supplementary Reserve	5%	10% of charter capital
Operational risk and finance Reserve	5%	10% of charter capital

Other reserves are appropriated in accordance with the Resolution of the General Meeting of Shareholder.

4.32 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after being approved by the General Meeting of Shareholders and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

4.33 Nil balances

Items or balances required by Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular 334/2016/TT-BTC dated 27 December 2016 and Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance that are not shown in these financial statements indicate nil balance.

5. CASH AND CASH EQUIVALENTS

	<u>Ending balance VND</u>	<u>Opening balance (restated) VND</u>
Cash	201,151,935,146	511,360,295,275
Cash on hand	286,126,343	619,978,961
Cash at banks for the operation of the Company	200,865,808,803	510,740,316,314
Cash equivalents	107,413,029,168	235,000,000,000
Total	308,564,964,314	746,360,295,275

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

6. VALUE AND VOLUME OF TRADING DURING THE YEAR

	<i>Volume of trading during the year (Unit)</i>	<i>Value of trading during the year (VND)</i>
a. The Company	238,987,725	23,316,081,714,980
- Shares	29,331,525	1,201,362,008,810
- Bonds	209,656,000	21,914,719,706,170
- Other securities	200	200,000,000,000
b. Investors	9,789,410,769	199,410,268,231,020
- Shares	9,761,357,391	196,569,205,108,840
- Bonds	26,113,038	2,821,293,313,880
- Other securities	1,940,340	19,769,808,300
Total	10,028,398,494	222,726,349,946,000

7. FINANCIAL ASSETS

Concepts of financial assets

Cost

Cost of a financial asset is the amount of cash or cash equivalents paid, disbursed or payable of such financial asset at its initial recognition. The transaction costs incurred directly from the purchase of financial asset might be included in the cost of the financial asset or not depending on the category that the financial asset is classified in.

Fair value/market value

The fair value or market value of a financial asset is the price at which the financial asset would be traded voluntarily between knowledgeable parties on an arm's length basis.

The fair value/market value of securities is determined in accordance with Circular No. 146/2014/TT-BTC as described in Note 4.8.

Amortised cost

Amortized cost of a financial investment (which is debt instrument) is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or irrecoverability (if any).

For presentation purpose, provision for diminution in value or irrecoverability of financial assets is recognised in "Provision for impairment of financial assets and mortgage assets" in the statement of financial position.

Carrying amount

Carrying amount of a financial asset is the amount at which the financial asset is recognized in the statement of financial position. Carrying amount of a financial asset might be recognised at cost minus reduction in value due to revaluation (for FVTPL and AFS financial assets) or at amortised cost (for HTM investments and loans), depending on the category that the financial asset is classified in.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

7. FINANCIAL ASSETS (continued)

7.1 Financial assets at fair value through profit and loss (FVTPL)

	Ending balance			Opening balance (restated)		
	Cost VND	Carrying value VND	Fair value (2) VND	Cost VND	Carrying value VND	Fair value (2) VND
Listed shares (1)	1,192,233,668,924	1,091,451,521,096	1,182,661,089,550	1,145,742,140,034	1,014,068,302,383	1,029,158,400,620
HPG	62,389,734,766	62,389,734,766	62,883,142,250	274,847,301,025	233,614,098,445	233,618,162,400
SSC	165,218,161,649	116,265,149,512	116,537,119,900	163,767,030,476	163,767,030,476	169,888,443,000
FPT	183,082,847,113	183,082,847,113	183,665,416,000	20,227,325	20,227,325	23,087,400
PVS	77,970,999,907	63,439,530,184	63,439,447,600	91,905,033,734	40,323,601,384	40,320,697,100
DBC	251,288,227,278	251,288,227,278	291,843,753,000	184,957,167,636	182,892,443,393	183,833,265,400
ELC	206,857,447,945	206,857,447,945	235,373,954,000	101,933,671,357	89,333,923,660	90,776,354,520
PET	45,060,789,684	31,306,898,943	31,305,912,700	45,059,171,784	40,422,281,043	40,421,865,400
LAS	41,063,264,511	40,888,080,914	43,837,664,000	90,741,504,757	90,741,504,757	94,259,034,000
VAF	67,766,775,917	45,253,072,700	45,253,072,700	67,766,743,877	49,532,076,000	49,532,076,000
Other listed shares	91,535,420,154	90,680,531,741	108,521,607,400	124,744,288,063	123,421,115,900	126,485,415,400
Unlisted shares	82,191,081,939	31,878,481,894	64,047,685,411	128,879,508,164	74,304,077,765	95,165,322,548
Viglacera Dap Cau Sheet Glass JSC.	15,200,000,000	-	-	15,200,000,000	624,800,000	624,800,000
Sunway Investment JSC.	15,000,000,000	15,000,000,000	44,021,457,129	15,000,000,000	15,000,000,000	34,761,408,826
Descon Construction Corporation JSC.	17,456,571,492	9,337,620,500	9,337,620,500	17,456,571,492	8,970,233,914	8,970,233,914
Other unlisted shares	34,534,510,447	7,540,861,394	10,688,607,782	81,222,936,672	49,709,043,851	50,808,879,808
Unlisted bonds	302,337,500,100	302,337,500,100	302,337,500,100	-	-	-
BHS BOND 2016	302,337,500,100	302,337,500,100	302,337,500,100	-	-	-
Total	1,576,762,250,963	1,425,667,503,090	1,549,046,275,061	1,274,621,648,198	1,088,372,380,148	1,124,323,723,168

- (1) As at 31 December 2016, among the shares listed on Stock Exchanges or registered in UpCoM classified as financial assets at FVTPL, there are 10,300,000 shares with par value of VND 103,000,000,000 used as collaterals for bond issuance by the Company in phase 1 of 2016, and 2,781,088 shares with par value of VND 27,810,880,000 used as collaterals for short-term borrowings of the Company.
- (2) Fair value is calculated only for the purpose of financial statement presentation in accordance with Circular No. 334/2016/TT-BTC and Circular No. 210/2014/TT-BTC. This value is not recognised in the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

7. FINANCIAL ASSETS (continued)

7.2 Available-for-sale (AFS) financial assets

	Ending balance			Opening balance (restated)		
	Cost VND	Carrying value VND	Fair value (2) VND	Cost VND	Carrying value VND	Fair value (2) VND
Listed shares (1)	814,610,060,866	811,920,570,723	1,450,302,936,240	601,526,137,510	598,402,379,976	1,221,871,304,600
VSC	175,885,933,796	175,885,933,796	204,374,352,000	130,725,685,748	130,725,685,748	213,625,643,000
TMS	113,028,048,762	113,028,048,762	246,273,781,100	99,845,361,724	99,845,361,724	461,148,769,500
OPC	113,218,396,107	113,218,396,107	151,464,696,600	113,076,487,266	113,076,487,266	137,037,565,000
GIL	7,690,629,840	7,624,907,598	7,835,175,000	81,968,204,098	81,943,671,500	94,752,910,000
SGN	204,116,454,286	204,116,454,286	562,729,138,440	109,073,594,000	109,073,594,000	193,391,158,800
CTD	107,474,155,061	107,474,155,061	127,765,695,000	941,861	941,861	2,907,000
Other listed shares	93,196,443,014	90,572,675,113	149,860,098,100	66,835,862,813	63,736,637,877	121,912,351,300
Unlisted shares	147,905,540,000	147,905,540,000	165,005,540,000	-	-	-
Vietnam Engine and Agriculture Machinery Corporation JSC.	142,900,000,000	142,900,000,000	160,000,000,000	-	-	-
Other unlisted shares	5,005,540,000	5,005,540,000	5,005,540,000	-	-	-
Listed bonds	-	-	-	204,948,811,623	204,948,811,623	231,166,558,218
BID_106	-	-	-	204,948,811,623	204,948,811,623	231,166,558,218
Total	962,515,600,866	959,826,110,723	1,615,308,476,240	806,474,949,133	803,351,191,599	1,453,037,862,818

(1) As at 31 December 2016, among the shares listed on Stock Exchanges or registered in UpCoM classified as AFS financial assets, there are 7,989,600 shares with par value of VND 79,896,000,000 used as collaterals for bond issuance by the Company in phase 2 of 2015 and phase 1 of 2016, and 1,859,818 shares with par value of VND 18,598,180,000 used as collaterals for short-term borrowings of the Company.

(2) Fair value is calculated only for the purpose of financial statement presentation in accordance with Circular No. 334/2016/TT-BTC and Circular No. 210/2014/TT-BTC. This value is not recognised in the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

7. FINANCIAL ASSETS (continued)

7.3 Held-to-maturity investments (HTM)

	Ending Balance VND	Opening balance (restated) VND
Unlisted bonds	11,603,575,929	23,206,856,721
- TMS convertible bonds	11,603,575,929	23,206,856,721
Term deposits with original maturity of over 3 months to 1 year	5,232,140,149,255	4,408,192,784,426
Total	5,243,743,725,184	4,431,399,641,147

As at 31 December 2016, there are term deposits with original maturity of over 3 months to 1 year and balances of VND 1,602 billion and VND 3,566 billion that are used as collaterals for bank overdrafts and short-term borrowings of the Company respectively.

7.4 Loans and receivables

	Ending balance		Opening balance (restated)	
	Cost VND	Fair value (3) VND	Cost VND	Fair value (3) VND
Receivables from margin activities (1)	3,564,875,010,978	3,536,444,006,045	3,256,363,621,210	3,256,363,621,210
Advances to investors	214,303,031,818	214,303,031,818	93,457,735,870	93,457,735,870
Advances under securities brokerage contract (2)	-	-	284,251,211,500	284,251,211,500
Total	3,779,178,042,796	3,750,747,037,863	3,634,072,568,580	3,634,072,568,580

- (1) Securities under margin transaction are used as collaterals for the loans granted by the Company to investors. As at 31 December 2016 and 31 December 2015, the par value of those securities that are used as collaterals for margin trading was VND 5,207,197,455,000 and VND 5,221,587,690,000 respectively.
- (2) These relate to brokerage contracts for selling bonds held by customers; whereby the Company advances to customers for the period that bonds are awaiting to be sold. These advances were reimbursed in 2016.
- (3) The fair value of loans and receivables are measured at book value less provision for doubtful debt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

7. FINANCIAL ASSETS (continued)

7.5 Change in market values of financial assets

Financial assets	Ending balance				Opening balance (restated)			
	Cost (VND)	Revaluation difference		Revaluated value (VND)	Cost (VND)	Revaluation difference		Revaluated value (VND)
		Increase (VND)	Decrease (VND)			Increase (VND)	Decrease (VND)	
FVTPL	1,576,762,250,963	123,378,771,971	(151,094,747,873)	1,549,046,275,061	1,274,621,648,198	35,951,343,020	(186,249,268,050)	1,124,323,723,168
Listed shares	1,192,233,668,924	91,209,568,454	(100,782,147,828)	1,182,661,089,550	1,145,742,140,034	15,090,098,226	(131,673,837,640)	1,029,158,400,620
Unlisted shares	82,191,081,939	32,169,203,517	(50,312,600,045)	64,047,685,411	128,879,508,164	20,861,244,794	(54,575,430,410)	95,165,322,548
Unlisted bonds	302,337,500,100	-	-	302,337,500,100	-	-	-	-
AFS	962,515,600,866	655,482,365,517	(2,689,490,143)	1,615,308,476,240	806,474,949,133	649,686,671,219	(3,123,757,534)	1,453,037,862,818
Listed shares	814,610,060,866	638,382,365,517	(2,689,490,143)	1,450,302,936,240	601,526,137,510	623,468,924,624	(3,123,757,534)	1,221,871,304,600
Unlisted shares	147,905,540,000	17,100,000,000	-	165,005,540,000	-	-	-	-
Listed bonds	-	-	-	-	204,948,811,623	26,217,746,595	-	231,166,558,218
Total	2,539,277,851,829	778,861,137,488	(153,784,238,016)	3,164,354,751,301	2,081,096,597,331	685,638,014,239	(189,373,025,584)	2,577,361,585,986

Revaluated value is the fair value of securities for the purpose of financial statement presentation. This value is not recognized in the Company's accounting book.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

8. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND MORTGAGE ASSETS

	<i>Ending balance</i> VND	<i>Opening balance</i> VND
Provision for impairment of loans	<u>(28,431,004,933)</u>	<u>-</u>

The provision is made for impairment of loans from margin activities.

9. RECEIVABLES

	<i>Ending balance</i> VND	<i>Opening balance</i> VND
1. Receivables from disposal of investments	53,486,347,570	2,531,847,570
<i>In which: doubtful debts</i>	2,531,847,570	2,531,847,570
2. Receivables and accruals from dividend and interest income	133,000,000	5,169,979,900
<i>In which: doubtful debts</i>	133,000,000	133,000,000
3. Advances to suppliers	21,135,273,595	11,301,258,947
4. Receivables from services provided by the Company	36,101,403,942	9,353,388,977
<i>In which: doubtful debts</i>	12,971,609,076	1,206,000,000
5. Other receivables	3,002,523,445	4,823,233,846
<i>In which: doubtful debts</i>	388,517,477	388,517,477
6. Provision for impairment of receivables	<u>(15,922,492,654)</u>	<u>(3,431,111,960)</u>
Total	<u>97,936,055,898</u>	<u>29,748,597,280</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

9. RECEIVABLES (continued)

Details of provision for impairment of receivables

	Ending balance of doubtful debts VND	Opening balance of provision VND	Addition VND	Reversal VND	Ending balance of provision VND	Opening balance of doubtful debts VND
Provision for doubtful receivables from disposal of financial assets	2,531,847,570	1,772,293,299	759,554,271	-	2,531,847,570	2,531,847,570
- <i>Dang Van Sy</i>	2,531,847,570	1,772,293,299	759,554,271	-	2,531,847,570	2,531,847,570
Provision for doubtful dividend, interest income receivables	133,000,000	133,000,000	-	-	133,000,000	133,000,000
- <i>Dividend receivable from Pyramid New Technology Trade Corporation</i>	133,000,000	133,000,000	-	-	133,000,000	133,000,000
Doubtful receivables from services provided by the Company	12,971,609,076	1,161,000,000	11,708,127,607	-	12,869,127,607	1,206,000,000
- <i>Pyramid New Technology Trade Corporation – advisory fee</i>	525,000,000	525,000,000	-	-	525,000,000	525,000,000
- <i>Thai Hoa JSC.</i>	80,000,000	80,000,000	-	-	80,000,000	80,000,000
- <i>Eloge France Vietnam JV Pharmaceuticals Company</i>	80,000,000	80,000,000	-	-	80,000,000	80,000,000
- <i>Saigon Maritime JSC.</i>	270,000,000	270,000,000	-	-	270,000,000	270,000,000
- <i>VIGLACERA Dong Trieu JSC.</i>	101,000,000	101,000,000	-	-	101,000,000	101,000,000
- <i>Vietnam Electricity Construction Joint-stock Corporation</i>	150,000,000	105,000,000	45,000,000	-	150,000,000	150,000,000
- <i>Que Phong Hydropower JSC.</i>	142,994,095	-	42,898,229	-	42,898,229	-
- <i>Overdue receivables from margin activities – retail investors</i>	11,622,614,981	-	11,620,229,378	-	11,620,229,378	-
Other doubtful receivables	388,517,477	364,818,661	23,698,816	-	388,517,477	388,517,477
- <i>Proceeds from disposal of assets</i>	309,521,422	309,521,422	-	-	309,521,422	309,521,422
- <i>Other receivables</i>	78,996,055	55,297,239	23,698,816	-	78,996,055	78,996,055
Total	16,024,974,123	3,431,111,960	12,491,380,694	-	15,922,492,654	4,259,365,047

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

10. OTHER SHORT-TERM ASSETS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Advances	9,231,952,863	3,278,848,232
Short-term prepaid expenses	7,665,228,021	8,548,603,317
- <i>Prepayment for office tools</i>	1,694,143,977	765,059,698
- <i>Prepayment for services</i>	5,971,084,044	7,783,543,619
Short-term deposits, collaterals and pledges	893,430,260	851,648,005
Other current assets	80,713,062,323	228,968,173,829
- <i>Investment of which pay-back receipt is in progress (*)</i>	80,305,580,600	228,968,173,829
- <i>Other</i>	407,481,723	-
Total	98,503,673,467	241,647,273,383

(*) These represent short-term cost of investment relating to the contract between the Company and its customers for selling the shares of Hoang Anh Gia Lai International Agriculture JSC, previously known as Hoang Anh Gia Lai Rubber JSC. Accordingly, the customer will make payments to the Company in accordance with the payment schedule specified in the contract. The control of shares will be transferred to the buyer in line with the payment schedule. The underlying shares after transfer will be blocked and used as collateral assets for the contract. The value of investment awaiting for payback is determined as the difference between original costs of the investment sold, awaiting for payback and the provision for diminution in value of collaterals based on their market value at reporting date.

11. LONG-TERM INVESTMENTS

	<i>Voting right of the Company</i>	<i>Ownership rate of the Company</i>	<i>Ending balance</i> VND	<i>Beginning balance (restated)</i> VND
Held-to-maturity investments			41,007,379,429	50,000,000,000
- <i>Term deposits with maturity of more than 1 year (1)</i>			41,007,379,429	50,000,000,000
Investments in associates (2)			709,336,586,920	637,417,114,391
- <i>Pan Group (PAN)</i>	20.10%	20.02%	478,275,257,353	428,152,498,940
- <i>Dong Nai Port JSC. (PDN)</i>	20.01%	20.00%	74,703,544,923	67,007,510,494
- <i>Vietnam Fumigation JSC. (VFG)</i>	20.01%	20.00%	156,357,784,644	142,257,104,957
Total			750,343,966,349	687,417,114,391

(1) As at 31 December 2016, term deposits with balance of VND 41 billion and maturity of more than 1 year are used as collaterals for short-term borrowings of the Company.

(2) As at 31 December 2016, among the investments in associates, 11,906,666 shares with par value of VND 119,066,660,000 are used as collaterals for bond issuance in phase 2 of 2015 and 6,607,271 shares with par value of VND 66,072,710,000 are used as collaterals for short-term borrowings of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

11. LONG-TERM INVESTMENTS (continued)

Movements of investments in associates of the Company for the years ended 31 December 2016 and 31 December 2015 are as follows:

	<i>Current year</i> VND	<i>Previous year</i> VND
Beginning balance	637,417,114,391	1,043,972,898,151
Purchase	25,087,436,000	203,940,333,949
Disposal of associates during the year	-	(624,521,422,920)
Adjustment made due to change in ownership rate of associates in their subsidiaries	(3,891,899,609)	(27,099,286,669)
Difference arising from changes in outstanding shares of associates	(7,811,526,899)	-
Gain from associates recognized in the consolidated income statement during the year	73,457,661,737	109,964,025,810
- Goodwill amortisation	-	(24,362,534,318)
- Share of profit during the year	73,457,661,737	93,789,245,209
- Gain from disposal of associates	-	40,537,314,919
Dividend received	(14,922,198,700)	(65,100,941,300)
Other capital	-	(3,738,492,630)
Ending balance	709,336,586,920	637,417,114,391

12. TANGIBLE FIXED ASSETS

	<i>Buildings and architectures</i> VND	<i>Office machineries</i> VND	<i>Means of transportation</i> VND	<i>Office equipment</i> VND	<i>Total</i> VND
Cost					
Opening balance	2,609,391,520	68,941,847,513	14,504,261,403	1,194,583,642	87,250,084,078
Increase	-	2,980,095,344	-	98,970,000	3,079,065,344
<i>Purchases</i>	-	2,980,095,344	-	98,970,000	3,079,065,344
Decrease	-	(375,912,000)	-	-	(375,912,000)
<i>Disposals</i>	-	(375,912,000)	-	-	(375,912,000)
Closing balance	2,609,391,520	71,546,030,857	14,504,261,403	1,293,553,642	89,953,237,422
Accumulated depreciation					
Opening balance	2,609,391,520	59,092,396,347	9,643,207,476	1,107,270,974	72,452,266,317
Increase	-	4,154,827,333	1,085,531,955	67,075,333	5,307,434,621
<i>Depreciation</i>	-	4,154,827,333	1,085,531,955	67,075,333	5,307,434,621
Decrease	-	(375,912,000)	-	-	(375,912,000)
<i>Disposals</i>	-	(375,912,000)	-	-	(375,912,000)
Closing balance	2,609,391,520	62,871,311,680	10,728,739,431	1,174,346,307	77,383,788,938
Net book value					
Opening balance	-	9,849,451,166	4,861,053,927	87,312,668	14,797,817,761
Closing balance	-	8,674,719,177	3,775,521,972	119,207,335	12,569,448,484
Total	-	8,674,719,177	3,775,521,972	119,207,335	12,569,448,484

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

12. TANGIBLE FIXED ASSETS (continued)

Additional information on tangible fixed assets:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Cost of tangible fixed asset which are fully depreciated but still in active use	<u>69,947,047,965</u>	<u>54,690,998,354</u>

13. INTANGIBLE FIXED ASSETS

	<i>Software</i> VND	<i>Land use rights</i> VND	<i>Other intangible</i> <i>fixed assets</i> VND	<i>Total</i> VND
Cost				
Opening balance	51,200,471,719	109,671,558,000	6,649,215,842	167,521,245,561
Increase	5,686,759,300	-	-	5,686,759,300
<i>Purchases</i>	5,686,759,300	-	-	5,686,759,300
Decrease	-	-	-	-
Closing balance	<u>56,887,231,019</u>	<u>109,671,558,000</u>	<u>6,649,215,842</u>	<u>173,208,004,861</u>
Accumulated amortisation				
Opening balance	47,524,070,891	-	3,112,929,347	50,637,000,238
Increase	2,664,333,201	-	1,059,237,223	3,723,570,424
<i>Amortisation</i>	2,664,333,201	-	1,059,237,223	3,723,570,424
Decrease	-	-	-	-
Closing balance	<u>50,188,404,092</u>	<u>-</u>	<u>4,172,166,570</u>	<u>54,360,570,662</u>
Net book value				
Opening balance	3,676,400,828	109,671,558,000	3,536,286,495	116,884,245,323
Closing balance	<u>6,698,826,927</u>	<u>109,671,558,000</u>	<u>2,477,049,272</u>	<u>118,847,434,199</u>
Total	<u>6,698,826,927</u>	<u>109,671,558,000</u>	<u>2,477,049,272</u>	<u>118,847,434,199</u>

Additional information on intangible fixed assets:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Land use rights used as collaterals for bond issuance	109,671,558,000	109,671,558,000
Cost of intangible fixed asset which are fully depreciated but still in active use	<u>48,118,076,411</u>	<u>39,197,774,566</u>
Total	<u>157,789,634,411</u>	<u>148,869,332,566</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

14. INVESTMENT PROPERTIES

	<i>Buildings and lands</i> <i>VND</i>
Cost	
Opening balance	311,647,615,101
Increase	2,628,186,723
- <i>Exchange rate difference arising from conversion of subsidiary's financial statements</i>	<u>2,628,186,723</u>
Closing balance	<u>314,275,801,824</u>
Accumulated amortisation	
Opening balance	43,237,694,069
Depreciation	9,175,351,346
Increase	521,584,445
- <i>Exchange rate difference arising from conversion of subsidiary's financial statements</i>	<u>521,584,445</u>
Closing balance	<u>52,934,629,860</u>
Net book value	
Opening balance	268,409,921,032
Closing balance	<u>261,341,171,964</u>
Total	<u>261,341,171,964</u>

Investment properties are six (06) buildings in the United States of America which were bought by SSI International Company for leasing purpose. As at 31 December 2016, the cost of those assets was recorded in USD and converted into VND in SSIIC financial statements using transfer exchange rate of commercial bank where the Company maintains bank account. Difference arising from the conversion is to be presented in the "Foreign exchange difference" item in Owners' equity. Rental revenue for the fiscal year ended at 31 December 2016 amounted to VND 4,951,324,457.

15. CONSTRUCTION IN PROGRESS

	<i>Ending balance</i> <i>VND</i>	<i>Beginning balance</i> <i>VND</i>
Software development	20,770,698,684	-
Other expenses	26,006,810,328	298,340,000
Total	<u>46,777,509,012</u>	<u>298,340,000</u>

16. LONG-TERM PREPAID EXPENSES

	<i>Ending balance</i> <i>VND</i>	<i>Beginning balance</i> <i>VND</i>
Other long-term prepaid expenses	<u>25,895,763,102</u>	<u>2,405,087,368</u>

Long-term prepaid expenses include cost of furniture, office equipment, repair and exterior decoration of the Company. These expenses are amortized to the income statement for the maximum period of 36 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

17. DEFERRED INCOME TAX ASSETS AND PAYABLES

Deferred corporate income tax assets and deferred corporate income tax payables arise due to following temporary differences that are non-deductible in term of corporate income tax:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Deferred income tax asset		
Provision for diminution in value of unlisted shares	7,567,907,481	8,191,398,681
Provision for impairment of the investment awaiting for payback	39,731,416,589	9,998,897,943
Provision for impairment of loans	8,010,246,862	-
Temporary taxable income incurred in 2015	27,131,335,840	27,131,335,840
Unrealised revenue resulting from consolidated financial statement	5,658,251,567	5,658,251,567
Total	88,099,158,339	50,979,884,031
Deferred income tax payable		
Deferred income tax payable from income of subsidiary	57,285,850	1,812,751,858
	57,285,850	1,812,751,858

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

18. PAYMENT FOR SETTLEMENT ASSISTANCE FUND

Payment for settlement assistance fund represents the amounts deposited at Vietnam Securities Depository.

According to Decision No. 57/QĐ-VSD dated 28 May 2012 issued by the General Director of the Vietnam Securities Depository, Decision No. 87/2007/QĐ-BTC dated 22 October 2007 by the Minister of Finance regarding the issuance of regulations on registration, custody, clearing and settlement of securities, Circular No. 43/2010/TT-BTC dated 25 March 2010 amending and supplementing the regulations on registration, custody, clearing and settlement of securities, Decision No. 27/QĐ-VSD dated 13 March 2015 and Decision No. 45/QĐ-VSD dated 22 May 2014 on the promulgation of regulations on management and use of the settlement assistance fund by the General Director of the Vietnam Securities Depository; the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND 2.5 billion per annum.

Movements of the payment for settlement assistance fund during the year are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Initial payment	6,087,814,535	6,087,814,535
Addition	7,872,720,527	7,872,720,527
Annual accrued interest	6,039,464,938	6,039,464,938
Total	20,000,000,000	20,000,000,000

19. COLLATERALS AND PLEDGED ASSETS

As at the date of these consolidated financial statements, the following assets have been used as collaterals for borrowings:

<i>Assets</i>	<i>Ending balance</i> VND	<i>Beginning balance</i> VND	<i>Purposes</i>
Short-term			
- Term deposits with maturity of 3 months or less	-	135,000,000,000	Collaterals for short-term borrowings
- Financial assets at FVTPL (par value)	130,810,880,000	10,100,000,000	Collaterals for bond issuance and short-term borrowings
- AFS financial assets (par value)	98,494,180,000	36,660,000,000	Collaterals for bond issuance and short-term borrowings
- Term deposits with maturity of 3 months to 1 year	5,168,100,000,000	4,356,100,000,000	Collaterals for short-term borrowings and bank overdraft
Long-term			
- Term deposits with maturity of more than 1 year	41,000,000,000		- Collaterals for short-term borrowings
- Investments in associates (par value)	185,139,370,000	159,146,660,000	Collaterals for bond issuance and short-term borrowings
- Intangible fixed assets	109,671,558,000	109,671,558,000	Collaterals for bond issuance
Total	5,733,215,988,000	4,806,678,218,000	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

20. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

	<i>Interest rate % per annum</i>	<i>Beginning balance VND</i>	<i>Addition during the year VND</i>	<i>Repayment during the year VND</i>	<i>Ending balance VND</i>
Short-term borrowings		3,913,847,967,537	32,203,034,307,330	31,297,541,596,782	4,819,340,678,085
Bank overdrafts	0.8 – 6.57	1,706,347,967,537	23,400,034,307,330	23,852,041,596,782	1,254,340,678,085
Short-term borrowings from banks	5.0 – 7.0	2,207,500,000,000	8,803,000,000,000	7,445,500,000,000	3,565,000,000,000
- JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank)		2,007,500,000,000	7,859,000,000,000	6,895,500,000,000	2,971,000,000,000
- Vietnam International Commercial JS Bank (VIB)		200,000,000,000	247,000,000,000	200,000,000,000	247,000,000,000
- Petrolimex Group Commercial JS Bank (PG Bank)		-	697,000,000,000	350,000,000,000	347,000,000,000
Short-term finance lease liabilities		-	-	-	-
Total		3,913,847,967,537	32,203,034,307,330	31,297,541,596,782	4,819,340,678,085

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

21. BOND ISSUANCE

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Short-term bond issuance	376,000,000,000	-
SSIBOND012015	76,000,000,000	-
SSIBOND022015	300,000,000,000	-
Long-term bond issuance	199,651,666,665	687,500,000,000
SSIBOND012015	-	387,500,000,000
SSIBOND022015	-	300,000,000,000
SSIBOND012016	200,000,000,000	-
Arrangement fee to issue SSIBOND012016	(348,333,335)	-
Total	575,651,666,665	687,500,000,000

SSIBOND012015 are ordinary bonds, issued in phase 1 in January 2015 under Resolution No. 02/2014/NQ/DHDCD dated 22 December 2014 with quantity of 1000 bonds and par value of VND500 million per bond. These are unsecured bonds, with a 2 year-term and a commitment to repurchase on every 6-month basis. Its interest rate, which was 8.2% per annum in the first year, will be adjusted in the subsequent year. In July 2015, the Company repurchased 225 bonds with total par value of VND 112,500,000,000. In 2016, the Company repurchased 623 bonds with total par value of VND 311,500,000,000.

SSIBOND022015 are the ordinary bonds, which were issued in phase 2 in April 2015 under Resolution No. 02/2014/NQ/DHDCD dated 22 December 2014 with quantity of 600 bonds and par value of VND500 million per bond. These bonds are collateralized using the Company's listed shares and land use rights in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is the maximum of 1.5% and the average interest rate of 12 months savings deposit denominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi).

SSIBOND012016 are ordinary bonds, which were issued in phase 1 in August 2016 under Resolution No. 03/2016/NQ/HDQT dated 28 July 2016 with quantity of 200 bonds and par value of VND 1 billion per bond. These bonds are collateralized using the Company's listed shares in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi).

22. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Payables to Stock Exchange (payables for purchases of financial assets)	39,617,787,653	104,212,959,126
Payables to Vietnam Securities Depository	-	204,729,206,000
Total	39,617,787,653	308,942,165,126

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

23. PAYABLES TO SUPPLIERS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Short-term	9,261,510,278	4,847,340,451
Viet team Limited Company	-	1,051,014,470
Thanh Viet Production Limited Company	-	1,498,002,687
Services fee payables	2,261,250,000	-
TTT Hanoi Trading and Construction JSC.	2,418,020,814	-
Other payables	4,582,239,464	2,298,323,294
Long-term	-	-
Total	9,261,510,278	4,847,340,451

24. TAXATION AND STATUTORY OBLIGATIONS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Value added tax	5,482,965,448	903,522,406
Corporate income tax	51,481,407,842	75,215,403,673
Personal income tax	14,280,175,092	13,320,356,345
Other taxes (foreign contractors withholding tax)	2,572,254,856	2,408,877,686
Total	73,816,803,238	91,848,160,110

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

24. TAXATION AND STATUTORY OBLIGATIONS (continued)

<i>STT</i>	<i>Item</i>	<i>Beginning balance VND</i>	<i>Payable in the year VND</i>	<i>Paid in the year VND</i>	<i>Ending balance VND</i>
I	Tax	91,848,160,110	372,809,682,209	(390,841,039,081)	73,816,803,238
1	Value added tax on domestic goods or services	903,522,406	12,026,647,595	(7,447,204,553)	5,482,965,448
2	Corporate income tax (Note 39.1)	75,215,403,673	220,703,920,528	(244,437,916,359)	51,481,407,842
3	Other taxes	15,729,234,031	140,079,114,086	(138,955,918,169)	16,852,429,948
	<i>Personal income tax</i>	4,188,166,183	28,096,961,406	(27,831,274,854)	4,453,852,735
	<i>Personal income tax on behalf of investors</i>	9,132,190,162	87,092,800,053	(86,398,667,858)	9,826,322,357
	<i>Business registration tax</i>	-	15,000,000	(15,000,000)	-
	<i>Others</i>	2,408,877,686	24,874,352,627	(24,710,975,457)	2,572,254,856
II	Other obligatory payables	-	-	-	-
	Total	91,848,160,110	372,809,682,209	(390,841,039,081)	73,816,803,238

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

25. ACCRUED EXPENSES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Short-term	62,998,576,869	63,406,571,076
Accrued payable to Stock Exchange and Vietnam Securities Depository	6,468,105,688	5,802,236,553
Interest payable for bonds issued by the Company	28,295,676,827	45,617,847,224
Interest payable for borrowings	5,667,044,384	3,265,485,311
Accrued expenses on repurchase contracts	981,350,992	3,068,427,838
Accrued services fee	630,000,000	690,000,000
Commission payable to counter parties	2,212,907,642	4,619,539,121
Others	18,743,491,336	343,035,029
Long-term	-	-
Total	62,998,576,869	63,406,571,076

26. OTHER SHORT-TERM PAYABLES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Payables under repurchase contracts	-	176,000,000,000
Deposits from customers under securities purchase contracts	262,800,421,276	8,750,000,000
Dividend, bond coupon payables on behalf	-	2,386,784,100
Dividend payables to the Company's shareholders	5,490,560,750	4,588,929,750
Coupon payables for bonds issued by the Company	701,639,024	715,305,824
Payables to customers relating for the proceeds from purchase/sale of securities	28,354,700,000	-
Other payables	2,768,579,757	2,470,116,588
Total	300,115,900,807	194,911,136,262

Deposits from customers under securities purchase contracts represent cash deposits of customers related to securities brokerage and securities purchase contracts. The Company has commitment to use these deposits for purchasing securities as requested by customers.

27. LONG-TERM UNREALIZED REVENUE

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Unrealized revenue from:		
Disposal of an associate (BBC)	8,144,100,724	8,144,100,724
Disposal of an associate (SSC)	19,186,831,881	19,186,831,881
Disposal of an associate (LAF)	1,688,248,597	1,688,248,597
Disposal of other associate	4,491,927,766	4,491,927,766
Total	33,511,108,968	33,511,108,968

Unrealised profit is recorded when the Company sells shares to an associate. The above figures are presented in correspondence to the Company's ownership rate in the associates which purchased those shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended**28. OWNERS' EQUITY****28.1 Undistributed profit**

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Realized profit	1,727,170,255,230	1,528,039,483,892
Unrealized profit	(151,094,747,873)	(186,249,268,054)
Total	<u>1,576,075,507,357</u>	<u>1,341,790,215,838</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

28. OWNERS' EQUITY (continued)

28.2 Changes in owners' equity

	Share capital VND	Share premium VND	Treasury shares VND	Other capital VND	Difference from revaluation of assets at fair value VND	Foreign exchange rate differences VND	Charter capital supplementary reserve VND	Operational and financial reserve VND	Undistributed profit VND	Non-controlling interests VND	Total VND
Beginning balance	4,800,636,840,000	29,285,860,000	(170,482,400)	(4,609,514,439)	(3,123,757,542)	31,013,180,718	268,076,952,217	183,569,357,533	1,341,790,215,838	81,140,362,365	6,727,609,014,290
Profit after tax	-	-	-	-	-	-	-	-	874,996,679,907	-	874,996,679,907
Share issuance to employees under Resolution of General Shareholders Meeting No. 01/2016/NQ- DHDCD	100,000,000,000	-	-	-	-	-	-	-	-	-	100,000,000,000
Cost to issue share	-	(20,000,000)	-	-	-	-	-	-	-	-	(20,000,000)
Cash dividends in 2015 (10%)	-	-	-	-	-	-	-	-	(479,836,918,000)	-	(479,836,918,000)
Revaluation of AFS financial assets	-	-	-	-	434,267,399	-	-	-	-	-	434,267,399
Treasury shares	-	-	(2,322,300,400)	-	-	-	-	-	-	-	(2,322,300,400)
Charter capital supplementary reserve	-	-	-	-	-	-	43,483,653,676	-	(43,483,653,676)	-	-
Operational and financial reserve	-	-	-	-	-	-	-	43,483,653,676	(43,483,653,676)	-	-
Bonus, welfare and charity funds	-	-	-	-	-	-	-	-	(59,633,400,253)	-	(59,633,400,253)
Other capital arising from share issuance of associates	-	-	-	4,609,514,439	-	-	-	-	(12,421,041,327)	-	(7,811,526,888)
Foreign exchange rate differences arising from conversion of subsidiary's financial statements	-	-	-	-	-	3,043,240,236	-	-	-	-	3,043,240,236
Difference arising from associates' changes of investment portion in their subsidiaries	-	-	-	-	-	-	-	-	(3,891,899,609)	-	(3,891,899,609)
Non-controlling interest	-	-	-	-	-	-	-	-	2,039,178,153	(2,039,178,153)	-
Ending balance	4,900,636,840,000	29,265,860,000	(2,492,782,800)	-	(2,689,490,143)	34,056,420,954	311,560,605,893	227,053,011,209	1,576,075,507,357	79,101,184,212	7,152,567,156,682

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

28. OWNERS' EQUITY (continued)

28.3 Profit distribution to shareholders

	Current year VND	Previous year (restated) VND
1. Undistributed realized profit at the beginning of the year (as at 1/1/2016 and 1/1/2015)	1,528,039,483,892	1,923,556,624,130
2. Unrealized loss at the end of the year (as at 31/12/2016 and 31/12/2015)	(151,094,747,873)	(186,249,268,054)
3. Realized profit of the year	841,881,337,875	609,706,984,288
4. Undistributed profit belonging to shareholders (4) = (1) + (2) + (3)	2,218,826,073,894	2,347,014,340,364
5. Reserve appropriated from undistributed profit	(162,913,648,537)	(527,920,784,816)
- Charter capital supplementary reserve	(43,483,653,676)	(39,323,710,910)
- Operational and financial reserve	(43,483,653,676)	(39,323,710,910)
- Share issuance	-	(370,013,759,782)
- Bonus, welfare and charity funds	(59,633,400,253)	(52,096,910,169)
- Consolidated adjustments	(16,312,940,932)	(27,099,286,666)
- Others	-	(63,406,379)
6. Profit distributed to shareholders during the year in accordance with Resolution of General Shareholders Meeting	(479,836,918,000)	(427,308,850,000)
7. Reclassification of realised and unrealised profit	-	(49,994,489,710)
Maximal profit available for distribution to shareholders	<u>1,576,075,507,357</u>	<u>1,341,790,215,838</u>

28.4 Shares

	Ending balance (shares)	Beginning balance (shares)
Authorized shares	490,063,684	480,063,684
Issued shares	490,063,684	480,063,684
Shares issued and fully paid	490,063,684	480,063,684
- Ordinary shares	490,063,684	480,063,684
- Preference shares	-	-
Treasury shares	(238,434)	(6,319)
Treasury shares held by the Company	(238,434)	(6,319)
- Ordinary shares	(238,434)	(6,319)
- Preference shares	-	-
Outstanding shares	489,825,250	480,057,365
- Ordinary shares	489,825,250	480,057,365
- Preference shares	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

29. DISCLOSURE ON OFF-BALANCE SHEET ITEMS

29.1. Foreign currencies

	<i>Ending balance</i>	<i>Beginning balance</i>
USD	5,028,241.29	4,994,977.50
EUR	57,765.13	-

29.2. Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Financial assets		
Unrestricted financial assets	495,544,100,000	671,181,730,000
Mortgage financial assets	414,444,430,000	183,426,660,000
Financial assets awaiting settlement	50,000,000,000	30,000,000
Total	959,988,530,000	854,638,390,000

29.3. Non-traded financial assets deposited at VSD of the Company

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Financial assets		
Unrestricted and non-traded financial assets deposited at VSD	9,552,040,000	23,690,050,000
Restricted and non-traded financial assets deposited at VSD	1,000,000,000	1,000,000,000
Total	10,552,040,000	24,690,050,000

29.4. Financial assets awaiting for arrival of the Company

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Shares	4,660,000	1,587,550,000

29.5. Financial assets which have not been deposited at VSD of the Company

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Financial assets		
Shares	143,199,470,000	42,946,670,000
Bonds	310,895,100,000	21,790,200,000
Fund certificates	7,425,740,000	7,425,740,000
Total	461,520,310,000	72,162,610,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

29. DISCLOSURE ON OFF-BALANCE SHEET ITEMS (continued)

29.6 Financial assets listed/registered for trading at VSD of investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Financial assets		
Unrestricted financial assets	22,283,452,350,000	18,135,210,430,000
Restricted financial assets	682,966,010,000	748,571,050,000
Mortgage financial assets	3,600,644,250,000	2,759,764,320,000
Blocked financial assets	15,664,600,000	-
Financial assets awaiting for settlement	290,207,840,000	578,825,340,000
Financial assets awaiting for lending	-	-
Total	<u>26,872,935,050,000</u>	<u>22,222,371,140,000</u>

29.7 Non-traded financial assets deposited at VSD of investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Financial assets		
Unrestricted and non-traded financial assets deposited at VSD	1,447,750,000,000	527,060,230,000
Restricted and non-traded financial assets deposited at VSD	102,298,110,000	139,726,810,000
Mortgaged and non-traded financial assets deposited at VSD	102,139,650,000	346,691,280,000
Total	<u>1,652,187,760,000</u>	<u>1,013,478,320,000</u>

29.8 Financial assets awaiting for arrival of investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Shares	<u>277,151,500,000</u>	<u>512,019,620,000</u>

29.9 Financial assets unlisted/unregistered at VSD of investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Shares	<u>40,192,750,000</u>	<u>22,912,500,000</u>

29.10 Entitled financial assets of investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Shares	<u>49,722,960,000</u>	<u>21,859,170,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

29. DISCLOSURE ON OFF-BALANCE SHEET ITEMS (continued)

29.11 Investors' deposits

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Investors' deposits for securities trading activities managed by the Company	1,616,354,145,533	1,239,463,316,338
- <i>Domestic investors' deposits for securities trading activities managed by the Company</i>	1,509,185,425,722	1,136,419,483,706
- <i>Foreign investors' deposits for securities trading activities managed by the Company</i>	107,168,719,811	103,043,832,632
Investors' synthesizing deposits for securities trading activities	5,034,657,285	2,192,903,193
Total	1,621,388,802,818	1,241,656,219,531

29.12 Deposits of securities issuers

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Deposits for securities underwriting and issuance agency services	8,894,522,160	81,800,000
Deposits for dividend, bond principal and interest payment	704,446,974	2,311,787,360
Total	9,598,969,134	2,393,587,360

29.13 Payables to investors

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Payables to investors - investors' deposits for securities trading activities managed by the Company	1,616,354,145,533	1,239,463,316,338
- <i>Domestic investors</i>	1,509,185,425,722	1,136,419,483,706
- <i>Foreign investors</i>	107,168,719,811	103,043,832,632
Total	1,616,354,145,533	1,239,463,316,338

29.14. Payables to securities issuers

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Other payables to securities issuers	8,894,522,160	81,800,000

29.15 Dividend, bond principal and interest payables

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Dividend, bond principal and interest payables to securities issuers	704,446,974	2,311,787,360

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

30 GAIN/(LOSS) FROM FINANCIAL ASSETS

30.1. Gain/(loss) from disposal of financial assets at FVTPL

No.	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain from disposal in the current year VND	Gain from disposal in the previous year VND
I	Gain from disposal						
1	Listed share	56,028,341		2,067,820,089,028	1,608,201,601,330	459,618,487,698	64,023,476,597
	DBC	12,213,479	34,546	421,932,235,811	315,836,741,093	106,095,494,718	4,387,014,089
	HPG	11,182,590	40,956	457,990,127,707	404,444,928,396	53,545,199,311	-
	TMS	1,994,593	64,459	128,569,628,500	37,073,538,862	91,496,089,638	-
	GIL	4,316,966	57,207	246,961,698,000	167,136,594,251	79,825,103,749	-
	SGN	400,000	112,150	44,860,000,000	12,714,285,715	32,145,714,285	-
	VHL	1,805,800	42,492	76,732,870,000	32,134,996,714	44,597,873,286	387,879,714
	Other shares	24,114,913		690,773,529,010	638,860,516,299	51,913,012,711	59,248,582,794
2	Unlisted shares	460,000		23,057,500,000	23,000,000,000	57,500,000	133,872,665,854
3	Listed bonds	77,578,000		8,148,754,311,668	8,080,224,798,885	68,529,512,783	6,143,674,254
	TP_BVDB15206	18,558,000	104,721	1,943,416,146,233	1,922,882,058,667	20,534,087,566	304,000,000
	TP_TD1518357	17,500,000	104,612	1,830,716,000,000	1,812,889,286,886	17,826,713,114	-
	Other bonds	41,520,000		4,374,622,165,435	4,344,453,453,332	30,168,712,103	5,839,674,254
4	Unlisted bonds	8,990		1,169,348,951,300	1,169,000,000,000	348,951,300	-
	Total	134,075,331		11,408,980,851,996	10,880,426,400,215	528,554,451,781	204,039,816,705

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

30. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

30.1. Gain/(loss) from disposal of financial assets at FVTPL (continued)

No.	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Loss from disposal in the current year VND	Loss from disposal in the previous year VND
II	Loss from disposal						
1	Listed shares	13,864,500		302,180,627,000	363,170,885,494	(60,990,258,494)	(2,129,074,006)
	LAS	9,311,900	23,533	219,145,180,000	246,133,221,272	(26,988,041,272)	-
	PVS	3,000,000	18,000	54,000,000,000	87,035,519,290	(33,035,519,290)	(144,206,327)
	Other listed shares	1,552,600	-	29,035,447,000	30,002,144,932	(966,697,932)	(1,984,867,679)
2	Unlisted shares	-	-	-	-	-	(21,125,056,902)
3	Bonds	19,750,100		2,130,809,006,642	2,177,743,399,999	(46,934,393,357)	(21,455,323,211)
	TP_BVDB15206	2,750,000	104,312	286,858,536,604	289,869,733,333	(3,011,196,729)	-
	TP_BVDB15207	3,250,000	102,958	334,612,876,470	339,664,833,333	(5,051,956,863)	-
	TP_TD1020065	750,000	125,200	93,900,170,824	94,631,500,000	(731,329,176)	-
	TP_TD1518355	500,000	103,023	51,511,500,000	51,604,000,000	(92,500,000)	-
	TP_TD1518356	3,000,000	103,731	311,193,627,850	312,419,833,333	(1,226,205,483)	-
	TP_TD1518357	7,500,000	103,034	772,753,794,894	776,171,000,000	(3,417,205,106)	-
	TP_TD1520269	2,000,000	104,989	209,978,500,000	213,382,500,000	(3,404,000,000)	-
	Other bonds	100		70,000,000,000	100,000,000,000	(30,000,000,000)	(21,455,323,211)
	Total	33,614,600		2,432,989,633,642	2,540,914,285,493	(107,924,651,851)	(44,709,454,119)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

30. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

30.2. Gain/(loss) from revaluation of financial assets

No.	Financial assets	Cost VND	Carrying value VND	Revaluation difference at the end of the year VND	Revaluation difference at the beginning of the year (restated) VND	Gain/(loss) recorded this year VND	Increase VND	Decrease VND
I	FVTPL	1,576,762,250,963	1,425,667,503,090	(151,094,747,873)	(186,249,268,054)	35,154,520,181	152,456,070,613	(117,301,550,432)
1	Listed shares	1,192,233,668,924	1,091,451,521,096	(100,782,147,828)	(131,673,837,644)	30,891,689,816	134,100,352,333	(103,208,662,517)
	HPG	62,389,734,766	62,389,734,766	-	(41,233,202,580)	41,233,202,580	41,233,202,580	-
	ELC	206,857,447,945	206,857,447,945	-	(12,599,747,697)	12,599,747,697	17,485,732,637	(4,885,984,940)
	SSC	165,218,161,649	116,265,149,512	(48,953,012,137)	-	(48,953,012,137)	8,339,940,000	(57,292,952,137)
	PVS	77,970,999,907	63,439,530,184	(14,531,469,723)	(51,581,432,350)	37,049,962,627	38,486,729,906	(1,436,767,279)
	LAS	41,063,264,511	40,888,080,914	(175,183,597)	-	(175,183,597)	20,568,944,734	(20,744,128,331)
	ABC	41,839,250,000	41,839,250,000	-	-	-	544,712,620	(544,712,620)
	Other listed shares	596,894,810,146	559,772,327,775	(37,122,482,371)	(26,259,455,017)	(10,863,027,354)	7,441,089,856	(18,304,117,210)
2	Unlisted shares	82,191,081,939	31,878,481,894	(50,312,600,045)	(54,575,430,410)	4,262,830,365	18,355,718,280	(14,092,887,915)
	DCC	17,456,571,492	9,337,620,500	(8,118,950,992)	(8,486,337,577)	367,386,585	9,337,620,500	(8,970,233,915)
	ABC	-	-	-	(8,240,110,000)	8,240,110,000	8,240,110,000	-
	Other unlisted shares	64,734,510,447	22,540,861,394	(42,193,649,053)	(37,848,982,833)	(4,344,666,220)	777,987,780	(5,122,654,000)
3	Bonds	302,337,500,100	302,337,500,100	-	-	-	-	-
II	AFS	962,515,600,866	959,826,110,723	(2,689,490,143)	(3,123,757,542)	434,267,399	2,596,845,764	(2,162,578,365)
1	Listed shares	814,610,060,866	811,920,570,723	(2,689,490,143)	(3,123,757,542)	434,267,399	2,596,845,764	(2,162,578,365)
2	Unlisted shares	147,905,540,000	147,905,540,000	-	-	-	-	-
	Total	2,539,277,851,829	2,385,493,613,813	(153,784,238,016)	(189,373,025,596)	35,588,787,580	155,052,916,377	(119,464,128,797)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

30. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

30.3. Dividend, interest income from financial assets at FVTPL, HTM investments, loans and receivables, AFS financial assets

	<i>Current year</i> VND	<i>Previous year</i> (restated) VND
From financial assets at FVTPL	41,285,789,185	39,360,473,850
From HTM financial assets	344,890,502,306	194,038,113,177
From loans and receivables	429,400,211,341	297,393,256,685
From AFS financial assets	75,010,273,478	40,681,868,509
Total	890,586,776,310	571,473,712,221

31. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND DOUBTFUL DEBTS

	<i>Current year</i> VND	<i>Previous year</i> (restated) VND
Provision for impairment of loans	28,431,004,933	-
Provision for impairment of assets used as collaterals for the investment awaiting for payback (Note 10)	148,662,593,229	-
Provision for impairment of receivables from disposal of financial assets	759,554,271	506,369,514
Total	177,853,152,433	506,369,514

32. OTHER OPERATING REVENUE

	<i>Current year</i> VND	<i>Previous year</i> (restated) VND
Revenue from leasing assets	5,669,726,960	7,234,566,832
Revenue from other financial services	17,705,387,252	31,145,928,537
Revenue from interest on investment awaiting for payback due to late payment	62,426,057,476	3,715,003,910
Revenue from fund management	21,039,162,204	10,373,104,735
Revenue from trusted portfolio management	5,083,293,581	3,357,817,736
Other revenues	2,600,680,552	4,033,688,590
Total	114,524,308,025	59,860,140,340

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

33. EXPENSES FOR OPERATING ACTIVITIES

	<i>Current year</i> VND	<i>Previous year</i> <i>(restated)</i> VND
Expenses for securities brokerage activities (payables to Stock Exchanges, employees and others)	302,635,295,291	223,408,493,002
Expenses for securities underwriting activities and securities issuance agency services	-	30,000,000
Expenses for financial advisory activities	26,015,542,418	15,192,643,403
Expenses for securities investment advisory activities	14,205,710,814	11,522,471,372
Expenses for securities custodian activities	14,217,781,607	11,074,672,752
Other operating expenses (Note 34)	82,252,708,235	60,051,852,813
Total	439,327,038,365	321,280,133,342

34. OTHER OPERATING EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> <i>(restated)</i> VND
Other expenses		
Expenses for funds management activities	7,241,357,682	7,337,750,253
Expense for trusted portfolios management activities	655,340,414	99,462,382
Expense for securities investment advisory services	16,834,510,565	2,824,407,493
Expenses for securities repurchase agreements	3,257,372,332	6,847,181,684
Expenses for deposits of investors for securities brokerage activities	21,435,676,924	21,099,879,520
Office rental expense	16,232,449,138	16,148,996,800
Provision for doubtful debts	11,731,826,423	143,099,211
- Provision for receivables from services provided by the Company	11,708,127,607	127,300,000
- Other provision for doubtful debts	23,698,816	15,799,211
Other expenses	4,864,174,757	5,551,075,470
Total	82,252,708,235	60,051,852,813

35. FINANCE INCOME

	<i>Current year</i> VND	<i>Previous year</i> <i>(restated)</i> VND
Foreign exchange rate differences	146,819,024	6,002,789
Interest income from demand deposits	21,595,000,566	37,618,596,063
Share of profit in associates	73,457,661,737	109,964,025,810
Income from disposal of associates	-	107,833,951,553
Total	95,199,481,327	255,422,576,215

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

36. FINANCE EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> <i>(restated)</i> VND
Loss from foreign exchange rate difference	188,578,824	49,913,132
Interest expenses on bonds issued	48,299,852,509	50,282,023,335
Interest expenses on short-term borrowings	220,921,974,115	74,924,088,178
Total	<u>269,410,405,448</u>	<u>125,256,024,645</u>

37. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> <i>(restated)</i> VND
Exposure on payroll and other employees' benefits	67,534,013,496	64,312,946,239
Social security, health insurance, union fee and unemployment insurance	3,871,949,939	3,434,952,600
Office supplies	947,538,632	1,040,030,423
Tools	1,943,753,742	1,630,131,660
Depreciation expenses	5,404,422,834	7,105,165,183
External service expenses	51,098,854,494	45,403,573,229
Other expenses	9,793,075,068	10,989,652,073
Total	<u>140,593,608,205</u>	<u>133,916,451,407</u>

38. OTHER INCOME AND EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> VND
Other incomes		
Income from disposal of fixed assets	8,136,364	48,822,920
Income from penalties due to late payment and abandonment of deposits for contract implementation	-	2,008,086,000
Other incomes	2,620,311,652	3,150,549,516
	<u>2,628,448,016</u>	<u>5,207,458,436</u>
Other expenses	<u>(126,449,020)</u>	<u>(169,378,964)</u>
Total	<u>2,501,998,996</u>	<u>5,038,079,472</u>

39. CORPORATE INCOME TAX

39.1 Corporate income tax ("CIT")

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements could change later upon final determination by the tax authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

39. CORPORATE INCOME TAX (continued)

39.1 Corporate income tax (continued)

The current tax payable is based on taxable profit for the year. The taxable profit of the Company for the year differs from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the reporting date. The Company is required to fulfil its corporate income tax obligation with the current tax rate of 20% (in 2015: 22%) on the total taxable profit according to Circular No. 78/2014/TT-BTC dated 02 August 2014.

The estimated current corporate income tax in this year and prior year is represented in the table below:

	Current year VND	Previous year (restated) VND
Profit before tax	1,056,825,860,115	1,053,797,641,057
Adjustments to increase/(decrease) accounting profit:	(31,527,632,391)	(192,240,296,954)
Adjustments to increase accounting profit:	277,787,220,802	426,844,249,827
- Provision for diminution in value of unlisted shares at year-end	37,839,537,400	40,956,993,400
- Provision for impairment of investment awaiting for payback at the end of the year	198,657,082,945	49,994,489,716
- Temporary difference taxable incurred in 2015	-	135,656,679,197
- Difference from revaluation of AFS financial assets	333,533,023	10,339,161,500
- Provision for impairment of loans and receivables	40,051,234,311	
- Unrealized revenue (share of profit in associates)	-	28,291,257,837
- Reversal of provision for investments in associates for consolidation purpose	-	109,759,654,941
- Disposal of associates	-	51,403,634,636
- Non-deductibles expenses during the year	905,833,123	442,378,600
Adjustments to decrease accounting profit:	(309,314,853,193)	(619,084,546,781)
- Income from tax exempted activities – dividends	(77,276,999,500)	(58,882,634,250)
- Profit before tax from subsidiaries	(67,074,882,903)	(47,233,988,764)
- Gain from investments in associates	(73,457,661,737)	(109,964,025,808)
- Reversal of provision expenses for unlisted shares at the beginning of the year	(40,956,993,400)	(402,058,826,278)
- Reversal of provision for investment awaiting for payback at the beginning of the year	(49,994,489,716)	-
- Tax-deductible expenses from previous year	(553,825,937)	(945,071,681)
Estimated current taxable income	1,025,298,227,724	861,557,344,103
Corporate income tax rate	20%	22%
Estimated CIT expenses	205,059,645,545	189,542,615,702
Estimated CIT expenses in subsidiaries	15,462,957,711	12,260,958,527
CIT payable at the beginning of the year	75,215,403,673	23,038,276,709
CIT adjustment in accordance with tax finalization	181,317,272	379,510,893
CIT paid in the year	(244,437,916,359)	(150,005,958,158)
CIT payable at the end of the year	51,481,407,842	75,215,403,673

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

39. CORPORATE INCOME TAX (continued)

39.2 Deferred corporate income tax

Movement of deferred CIT assets during the year is as follows:

	<i>Current year</i> VND	<i>Previous year</i> <i>(restated)</i> VND
Deferred income tax assets		
Opening balance	50,979,884,031	88,452,941,782
Decrease of non-deductible provision for unlisted shares	(623,491,200)	(80,261,543,101)
Provision for impairment of investment awaiting for payback from current year	29,732,518,646	9,998,897,943
Temporary taxable difference in 2015	-	27,131,335,840
Provision for impairment of loans and receivables	8,010,246,862	-
Unearned revenue arising from consolidating financial statement	-	5,658,251,567
Ending balance	88,099,158,339	50,979,884,031
Payable income tax deferred		
Opening balance	1,812,751,858	27,359,739,675
Temporary non-taxable income from subsidiary	(1,755,466,008)	(1,404,966,074)
Reversal of provision for associates during the year	-	(24,142,021,743)
Ending balance	57,285,850	1,812,751,858

Deferred tax (income)/expense is charged to the income statement for the year ended 31 December 2016 and 31 December 2015 as follows:

	<i>Current year</i> VND	<i>Previous year</i> <i>(restated)</i> VND
Deferred income tax (income)/expense		
Decrease of non-deductible provision for unlisted shares	623,491,200	80,261,543,101
Provision for impairment of investment awaiting for payback	(29,732,518,646)	(9,998,897,943)
Temporary taxable difference in 2015	-	(27,131,335,840)
Provision for impairment of loans and receivables	(8,010,246,862)	-
Unearned revenue arising from consolidating financial statements	-	(5,658,251,567)
Temporary non-taxable income from subsidiary	(1,755,466,008)	(1,404,966,074)
Reversal of provision for associates during the year	-	(24,142,021,743)
Adjustment to deferred corporate expense under tax finalization	-	207,915,769
Total	(38,874,740,316)	12,133,985,703

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

40. ACCUMULATED OTHER COMPREHENSIVE INCOME

<i>Item</i>	<i>Beginning balance (restated)</i>	<i>Movement during the year</i>	<i>Changes in owners' equity recorded in income statement</i>	<i>Ending balance</i>
Gain/(loss) from revaluation of AFS finance assets	(3,123,757,542)	434,267,399	-	(2,689,490,143)

41. ADDITIONAL INFORMATION FOR STATEMENT OF CHANGES IN OWNERS' EQUITY

Incomes and expenses, gains or losses which are recorded directly to owners' equity:

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Income recorded directly to owners' equity	434,267,399	10,339,161,500
- Gain from revaluation of AFS financial assets	434,267,399	10,339,161,500
Expense recorded directly to owners' equity	(16,312,940,936)	(27,099,286,669)
- Loss arising from changes in number of outstanding shares of associates	(12,421,041,327)	-
- Loss arising from associate' changes of investment portion in its subsidiaries	(3,891,899,609)	(27,099,286,669)
Total	(15,878,673,538)	(16,760,125,169)

42. DISCLOSURE OF STATEMENT OF CASH FLOWS

Non-monetary transactions which impact statement of cash flows and cash and cash equivalents managed by the Company but not in use

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Cash and cash equivalents which are term deposits with maturity of 3 months or less used as collaterals for the Company's short-term borrowings	-	135,000,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

43. EARNINGS PER SHARE

Earnings per share is calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the year. After tax profit attributable to ordinary shareholders of the Company for the year ended 31 December 2016 is calculated as after-tax profit after deduction for setting up non-shareholder reserves according to the actual appropriation ratio of 2015. For the purpose of compiling consolidated financial statements, other comprehensive incomes not yet included in the net profit after tax to calculate the earnings per share (EPS) indicator since there is no guidance detail.

	<i>Current year</i>	<i>Previous year (restated)</i>
Net profit attributable to ordinary shareholders (VND)	815,643,347,992	781,933,156,129
Weighted average number of ordinary shares for calculation of earnings per share	480,436,945	471,713,404
Earnings per share (VND/share)	1,698	1,658

44. OTHER INFORMATION

44.1 *Transactions with related parties*

List of related parties and relationships with the Company is as follows:

<u><i>Related parties</i></u>	<u><i>Relationships</i></u>
NDH Invest Ltd. and its subsidiaries Sunway Investment JSC.	SSI's Chairman is the owner of NDH Invest Ltd. SSI invested in this Company and its member of the BOD is the younger brother of SSI's Chairman
Daiwa Securities Group Inc. The PAN Group JSC. and its subsidiaries	Strategic shareholder Associate
Vietnam Fumigation JSC	Associate
Dong Nai Port JSC	Associate
Saigon Dan Linh Real Estate Co., Ltd	Deputy CEO of SSI is also the Chairman of Saigon Dan Linh Real Estate Co.
Nguyen Saigon Co., Ltd	The Chairman of Nguyen Saigon Co., is the brother of SSI's Chairman

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.1 Transactions with related parties (continued)

Significant balances and transactions with related parties as at 31 December 2016 and for the year then ended are as follows:

Parties	Transaction	Receivables/(Payables)			Ending VND	Revenues/ (Expenses) VND
		Beginning VND	Increases VND	Decrease VND		
Sunway Investment JSC.	Capital contribution	15,000,000,000	-	-	15,000,000,000	-
	Advance for selling securities, securities transaction fee and custodian fee	-	2,287,264,060	(2,287,264,060)	-	2,287,264,060
	Rental expense	-	(12,067,451,000)	12,067,451,000	-	(15,729,757,998)
	Deposit for rental expense	10,800,702,000	-	-	10,800,702,000	-
	Interest on deposit for rental expense	-	1,098,071,372	(1,098,071,372)	-	1,098,071,372
	Receivables from margin activities	103,705,068,842	1,757,861,451,705	(1,725,277,756,535)	136,288,764,012	10,407,357,927
	Advance for bond contract	142,446,211,500	-	(142,446,211,500)	-	-
	Securities trading transactions and trust portfolio	-	995,436,430,000	(995,436,430,000)	-	-
	Consultant fee for securities investment	-	2,488,808,138	(1,852,872,290)	635,935,848	2,488,808,138
	Dividend payment	-	(2,598,502,000)	2,598,502,000	-	-
	Purchase of bonds issued by SSI	(150,000,000,000)	-	150,000,000,000	-	-
	Payables for interest on bonds issued by SSI	(11,821,666,667)	(6,962,291,666)	18,783,958,333	-	(6,962,291,666)
	Vietnam Fumigation JSC.	Capital contribution under the equity method	142,257,104,959	28,845,509,065	(18,126,572,115)	152,976,041,909
Dong Nai Port JSC.	Capital contribution under the equity method	67,007,510,494	11,895,461,128	(4,199,426,700)	74,703,544,922	11,895,461,129
NDH invest Company Ltd. and its subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	513,666,694	(513,666,694)	-	513,666,694
	Securities trading transaction	-	763,386,130,000	(763,386,130,000)	-	-
	Dividend payment	-	(42,304,080,000)	42,304,080,000	-	-
	Assistance portfolio fee	-	20,856,415	(12,513,849)	8,342,566	20,856,415
	Advisory fee	-	719,495,000	-	719,495,000	654,086,364
DAIWA SECURITIES GROUP INC	Transaction fee	-	1,389,497,385	(1,389,497,385)	-	1,389,497,385
	Dividend payment	-	(74,606,601,000)	74,606,601,000	-	-
	Fund management fee	1,301,309,536	3,731,448,548	(1,301,613,341)	3,731,144,743	3,683,606,074

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.1 Transactions with related parties (continued)

Parties	Transaction	Receivables/(Payables)			Revenues/ (Expenses) VND	
		Beginning VND	Increases VND	Decrease VND		Ending VND
The PAN Group JSC. And its subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	574,411,312	(574,411,312)	-	574,411,312
	Margin loans	44,623,697,526	39,442,130,180	(84,065,827,706)	-	376,247,509
	Consultant fee	80,000,000	10,531,402,864	(10,529,402,864)	82,000,000	9,595,820,786
	Advance for consultant contract	(100,000,000)	-	100,000,000	-	-
	Advance for selling securities	(697,325)	(7,408,615,364)	7,409,312,689	-	-
	Selling securities	-	70,000,000,000	(70,000,000,000)	-	-
	Storage fee and service fee	(46,395,370)	(1,172,564,708)	1,198,072,154	(20,887,924)	(1,172,564,708)
	Deposit for storage fee	78,262,800	41,741,700	(78,262,800)	41,741,700	-
	Deposit for securities brokerage services	-	(2,714,340,200,549)	2,458,289,779,273	(256,050,421,276)	-
	Interest payable for securities brokerage deposit	-	(20,339,938,253)	19,358,587,261	(981,350,992)	(20,339,938,253)
	Expense for commodity purchase	-	(2,188,650,000)	2,188,650,000	-	(2,188,650,000)
	Capital contribution under the equity method	422,732,107,418	57,824,114,078	(15,652,786,862)	464,903,434,634	41,122,291,544
	Nguyen Saigon Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	501,082,508	(501,082,508)	-
Receivable from margin trading		-	17,618,730,327	(17,618,730,327)	-	23,075,065
Dividend payment		-	(208,002,000)	208,002,000	-	-
Saigon Dan Linh Real Estate Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	232,622,022	(232,622,022)	-	232,622,022
	Dividend payment	-	(29,127,343,000)	29,127,343,000	-	-
Other parties	Purchase of bonds issued by SSI	-	(12,500,000,000)	-	(12,500,000,000)	-
	Payables for bond interest issued by SSI	-	(1,942,494,097)	956,097,222	(986,396,875)	(1,036,166,319)

Total remuneration of members of the Board of Directors and the Board of Management:

	Current year (VND)	Previous year (VND)
Salary and bonus	12,097,800,000	12,805,380,000
Severance allowance	-	-
Other benefits	-	-
Total	12,097,800,000	12,805,380,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.2 Segment information

	<i>Brokerage and customer services VND</i>	<i>Proprietary trading VND</i>	<i>Treasury VND</i>	<i>Portfolio Management VND</i>	<i>Investment banking and others VND</i>	<i>Total VND</i>
For the year ended 31 December 2016						
1. Direct income	867,914,980,474	933,981,475,118	365,972,768,048	32,534,869,998	111,564,226,908	2,311,968,320,546
2. Direct expenses	398,225,719,619	419,270,121,646	250,253,064,916	6,182,802,166	43,119,142,872	1,117,050,851,219
3. Depreciation and allocated expenses	80,093,133,340	19,678,054,313	11,047,328,737	6,559,351,438	20,713,741,384	138,091,609,212
Profit before tax	389,596,127,515	495,033,299,159	104,672,374,395	19,792,716,394	47,731,342,652	1,056,825,860,115
Ending balance						
1. Direct segment assets	3,770,780,023,466	3,547,596,293,979	5,380,560,552,579	29,465,173,739	5,418,301,922	12,733,820,345,685
2. Allocated segment assets	139,089,596,422	34,172,874,983	19,184,771,920	11,390,958,328	35,971,447,351	239,809,649,004
3. Unallocated assets	-	-	-	-	-	254,339,257,015
Total assets	3,909,869,619,888	3,581,769,168,962	5,399,745,324,499	40,856,132,067	41,389,749,273	13,227,969,251,704
1. Direct segment liabilities	357,562,927,034	382,044,476,764	5,082,741,133,761	1,783,491,661	5,666,797,792	5,829,798,827,012
2. Allocated segment liabilities	91,024,989,362	22,363,898,248	12,555,170,946	7,454,632,749	23,540,945,525	156,939,636,830
3. Unallocated liabilities	-	-	-	-	-	88,663,631,180
Total liabilities	448,587,916,396	404,408,375,012	5,095,296,304,707	9,238,124,410	29,207,743,317	6,075,402,095,022

Division reporting information by geographic area

Company's activities are mainly in the territory of Vietnam.

The Company has a wholly-owned US subsidiary, SSI International Incorporated ("SSIIC"), which operates in the US real estate business. However, SSIIC's total revenue, expenses and total assets are very low compared to its total revenue, expense and total assets (about 2% to 4%). As a result, the Company does not present segmental reports by geographical area in the notes to the consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.3 Operating lease commitments

The Company leases office under operating lease arrangements. As at 31 December 2016 and 31 December 2015, the committed future rental payment under the operating lease agreements is as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Less than 1 year	37,582,831,346	31,297,190,825
From 1 - 5 years	93,343,925,550	54,035,694,786
More than 5 years	-	988,202,160
Total	130,926,756,896	86,321,087,771

44.4 Margin lending services

The Company signed margin lending contracts with investors to facilitate securities trading activities of investors.

The Company's commitments to provide funds under outstanding margin lending contracts as of 31 December 2016 and 31 December 2015 are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Head Office (in Ho Chi Minh City)	456,914,659,106	113,910,667,241
Hanoi	301,433,357,447	69,731,029,762
Hai Phong	19,025,748,969	5,431,335,427
Nguyen Cong Tru	131,219,566,031	38,607,675,482
Nha Trang	12,224,989,162	4,012,330,310
Vung Tau	7,587,362,729	3,027,785,117
My Dinh	45,096,690,596	8,915,555,451
Total	973,502,374,040	243,636,378,790

44.5. Purposes and policies of financial risk management

The Company's financial liabilities comprise mostly loans and borrowings, payables to suppliers and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arise directly from its operations. The Company does not hold or issue derivative financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk.

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to maintain an acceptable balance between the cost arisen from risks and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Management reviews and agrees policies for monitoring each of these risks which are summarized below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.5. Purposes and policies of financial risk management (continued)

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. There are four types of market risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and available-for-sale investments.

The Company manages market risk by analysing financial sensitivity of the Company as at 31 December 2016 and 31 December 2015. When analysing sensitivity, Management assumes that sensitivity of Available-for-sale debt instruments in the statement of financial position and other related items in the income statement is affected by changes in corresponding market risk. The analysis is based on financial assets and liabilities held by the Company as at 31 December 2016 and 31 December 2015.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk due to changes in interest rate relates primarily to cash and short-term deposits. Financial liabilities have fixed interest rate.

The Company manages interest rate risk by looking at the competitive structure of the market to identify a proper interest rate policy which is favourable for its purposes within its risk management limits.

No analysis on interest sensitivity is performed since the Company's exposure to risk of changes in interest rate is insignificant.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities in which revenue or expense is denominated in a different currency from the Company's accounting currency and its investments in oversea subsidiaries.

The Company manages foreign exchange risk by hedging against transactions that are expected to take place in the future. The Company do not use any hedging instruments to mitigate foreign exchange risk.

Equity price risk

Listed and unlisted securities which are held by the Company are affected by market risk arising from the uncertainty of future value of invested securities. The Company manages equity price risk by establishing investment limits. The Company's Investment Council considers and approves investments in securities.

As at the reporting date, the fair value of listed shares (FVTPL and AFS) was VND 2,632,964,025,790. The 10% increase (or decrease) in market index would possibly result in a corresponding increase (or decrease) in profit after tax of the Company, depending on its magnitude and length as well as the Company's ownership position of securities which have significant influence on market index.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.5. Purposes and policies of financial risk management (continued)

Credit risk

Credit risk is the risk that counterparty would not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for loans and receivables) and from its financing activities, including deposits with banks, foreign exchanges activities and other financial instruments.

Receivables

Customer credit risk is managed by the Company based on its established policies, procedures and control relating to customer credit risk management. Credit quality of customers is evaluated on the basis of Management's assessment.

Outstanding customer receivables are regularly monitored. Customer credit quality's impairment is analysed at each reporting date on an individual basis for major clients. The Company closely monitors outstanding receivables and operates a credit control unit to mitigate credit risk. Due to the fact that the Company's receivables relate to a large number of diversified customers and corresponding collateral assets, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with high credit rating banks in Vietnam. Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the statement of financial position at each reporting date is the carrying value as presented in Notes 5, 7.3 and 11. The Company evaluates the concentration of credit risk in respect to bank deposit as low.

Margin lending and advances to customers

The Company manages its credit risks via the use of internal control policies, processes and procedures relevant to margin lending and advance payments to customers. The Company assesses customers to determine their credit limits and margin rates before lending margin and advances to customers and periodically reassesses the financial position of customers to adjust the credit limits and margin rates accordingly. The credit limits are measured based on value of collateral assets, customer's credit rating and other indicators.

The following loans considered as overdue as at 31 December 2015 (excluding of contracts that was extended or liquidated before the signing date of this report). Except for financial assets which are reserved for impairment as stated in Notes 8 and 9, according to the Management's assessment, the remaining financial assets are neither overdue nor impaired as they are all liquid.

Unit: VND

	Total	Neither past due nor impaired	Past due but not impaired		
			< 80 days	81–180 days	>180 days
Ending balance	3,779,178,042,796	3,770,764,073,993	6,699,128,102	1,714,840,701	-
Beginning balance	3,349,821,357,080	3,336,640,152,102	13,176,220,438	2,509,267	2,475,273

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.5. *Purposes and policies of financial risk management* (continued)

Liquidity risk

The liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligation due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Company monitors its liquidity risk by maintaining a level of cash and cash equivalents, borrowings deemed adequate by the Management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.5. Purposes and policies of financial risk management (continued)

Liquidity risk (continued)

The below table summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Overdue VND	On demand VND	Less than 1 year VND	1 – 5 year VND	Over 5 years VND	Total VND
31 December 2016						
FINANCIAL ASSETS						
<i>Financial assets with fixed terms</i>	8,413,968,803	214,303,031,818	9,102,542,267,459	41,007,379,429	-	9,366,266,647,509
Held-to-maturity (HTM) investments – Debt securities/Term deposits	-	-	5,243,743,725,184	41,007,379,429	-	5,284,751,104,613
Financial assets at fair value through profit and loss – Debt securities	-	-	302,337,500,100	-	-	302,337,500,100
Loans	8,413,968,803	214,303,031,818	3,556,461,042,175	-	-	3,779,178,042,796
<i>Other financial assets</i>	16,024,974,123	96,697,460,810	-	-	-	112,722,434,933
Receivable from securities transaction activities	-	2,100,000	-	-	-	2,100,000
Collaterals and pledges	-	19,999,159,976	-	-	-	19,999,159,976
Other receivables	16,024,974,123	76,696,200,834	-	-	-	92,721,174,957
Cash and cash equivalents	-	308,564,964,315	-	-	-	308,564,964,315
Total	24,438,942,926	619,565,456,943	9,102,542,267,459	41,007,379,429	-	9,787,554,046,757
FINANCIAL LIABILITIES						
<i>Financial liabilities at amortized cost</i>						
Short-term borrowings	-	1,254,340,678,085	3,565,000,000,000	-	-	4,819,340,678,085
Bond issued	-	-	376,000,000,000	199,651,666,665	-	575,651,666,665
Payables for securities transaction activities	-	39,617,787,653	-	-	-	39,617,787,653
Accrued expenses	-	62,998,576,869	-	-	-	62,998,576,869
Other current liabilities	-	300,115,900,807	-	-	-	300,115,900,808
Total	-	1,657,072,943,414	3,941,000,000,000	199,651,666,665	-	5,797,724,610,079
Net liquidity difference	24,438,942,926	(1,037,507,486,471)	5,161,542,267,459	(158,644,287,236)	-	3,989,829,436,678

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.5. Purposes and policies of financial risk management (continued)

Liquidity risk (continued)

The Company assessed the concentration of risk with respect to its debt payment as low. The Company is able to access to different source of funds and all the borrowings which are due within 12 months can be renewed with the current lenders.

Collaterals

The Company used a part of the term deposits as collaterals for bank overdrafts and short-term borrowings from commercial banks. As at 31 December 2016, the total carrying value of term deposits used as collaterals for bank overdrafts were VND 1,602,000,000,000, and the total carrying value of term deposits used as collaterals for short-term borrowings were VND 3,607,100,000,000.

Among financial assets at fair value through profit and loss, financial assets available-for-sale and investment in associates as at 31 December 2016, there were 11,248,177 shares with the par value of VND 112,481,770,000 used as collaterals for short-term borrowings; and 30,196,266 shares with par value of VND 301,962,660,000 used as collaterals for bond issued by the Company.

Among non-current assets, land use right with infinite useful life at cost of VND 109,671,558,000 as at 31 December 2016 was used as collaterals for bonds issued in phase 2 of 2015.

The Company held securities as collateral for loans to customers as at 31 December 2016.

Other than that, the Company did not hold any other party's collateral at 31 December 2016 and 31 December 2015.

44.6 Off-balance sheet item of subsidiary

SSIAM, a subsidiary of the Company, conducts portfolio management activities. As at 31 December 2016 and 31 December 2015, SSIAM off-balance sheet items related to portfolio management activities of entrust investors include: deposits, portfolios, receivables and payables are as follows:

	<i>Ending balance (VND)</i>	<i>Beginning balance (VND)</i>
Investor's deposits	12,312,250,568	35,284,770,097
Portfolio of entrusted investors	168,155,956,546	46,383,293,717
Receivable of entrusted investors	3,389,973,001	236,360,869
Payable of entrusted investor	430,347,017	3,537,758,416

In particular, the list of securities in the portfolio of entrusted investors is reduced as follows:

	<i>Ending balance</i>			<i>Beginning balance</i>		
	<i>Amount</i>	<i>Cost</i>	<i>Decrease in value</i>	<i>Amount</i>	<i>Cost</i>	<i>Decrease in value</i>
BFC	189,634	6,363,925,426	(769,722,426)	-	-	-
PNJ	151,560	10,821,503,864	(742,763,864)	-	-	-
HPG	309,859	14,010,580,639	(640,164,789)	-	-	-
DGL	97,700	4,304,253,168	(611,193,168)	-	-	-
VIT	242,100	6,919,661,241	(528,221,241)	-	-	-
NT2	41,140	1,559,152,000	(436,030,000)	-	-	-
ITD	192,900	4,923,112,854	(428,542,854)	-	-	-
VNM	28,807	4,033,008,000	(414,848,800)	-	-	-
ACB	-	-	-	265,900	4,404,706,988	(161,566,988)
PLC	-	-	-	239,000	8,627,900,000	(258,071,811)
CAV	-	-	-	164,270	8,295,635,000	(144,114,842)
MBB	-	-	-	152,261	2,226,280,275	(3,269,675)
Other	770,683	31,277,459,559	(2,376,507,409)	104,523	3,225,686,331	(84,625,030)
	2,024,383	84,212,656,751	(6,947,994,551)	925,954	26,780,208,594	(651,648,346)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.7 Reclassification of comparative figures

During the year 2016, due to effects of changes in accounting policies and requirements for financial statement preparation and presentation in accordance with Circular 210 and Circular 334, certain corresponding figures in the financial statements for the previous year have been reclassified to conform to the current year's presentation.

Extract from the consolidated statement of financial position

ITEMS	Note	31 December 2015 (previously reported)	Reclassification	31 December 2015 (restated)
A. CURRENT ASSETS		10,944,974,283,833	29,977,663,579	10,974,951,947,412
Cash	[1]	1,755,410,102,161	(1,244,049,806,886)	511,360,295,275
Short-term investments (**)	[2]	5,061,932,791,680	(5,061,932,791,680)	-
Provision for short-term investments (**)	[2]	(42,513,048,144)	42,513,048,144	-
Financial assets at fair value through profit and loss (FVTPL) (*)	[2]	-	1,088,372,380,148	1,088,372,380,148
Held-to-maturity (HTM) investments (*)	[2]	-	4,431,399,641,147	4,431,399,641,147
Loans (*)	[2]	-	3,634,072,568,580	3,634,072,568,580
Available-for-sale (AFS) investments (*)	[2]	-	803,351,191,599	803,351,191,599
Receivables from customers (**)	[3]	3,646,040,547,557	(3,646,040,547,557)	-
Receivables from securities trading activities (**)	[3]	226,779,001	(226,779,001)	-
Provision for doubtful short-term receivables (**)	[3]	(3,431,111,960)	3,431,111,960	-
Receivables from disposal of financial assets (*)	[3]	-	2,531,847,570	2,531,847,570
Receivables and accruals from dividend and interest income (*)	[3]	-	5,169,979,900	5,169,979,900
Receivables from services provided by the Company (*)	[3]	-	9,353,388,977	9,353,388,977
Other receivables	[3]	39,359,691,208	(34,536,457,362)	4,823,233,846
Provision for impairment of receivables (*)	[3]	-	(3,431,111,960)	(3,431,111,960)
Advances (*)	[4]	-	3,278,848,232	3,278,848,232
Collateral and pledged assets	[4]	-	851,648,005	851,648,005
Other short-term assets	[4]	233,098,670,066	(4,130,496,237)	228,968,173,829
B. NON-CURRENT ASSETS	[2]	2,452,507,120,087	(1,274,027,469,971)	1,178,479,650,116
Long-term securities investments (**)	[2]	1,405,887,447,424	(1,405,887,447,424)	-
Other long-term investments (**)	[2]	65,000,000,000	(65,000,000,000)	-
Provision for long-term investments (**)	[2]	(146,859,977,453)	146,859,977,453	-
Investments in HTM financial assets (*)	[1]	-	50,000,000,000	50,000,000,000
TOTAL ASSETS		13,397,481,403,920	(1,244,049,806,392)	12,153,431,597,528

(*) New items in the statement of financial position as required by Circular 210 and Circular 334.

(**) Items of the balance sheet which are no longer presented in accordance with Circular 210 and Circular 334.

Detailed adjustments for main items are as follows:

- [1] Reclassification of investors' deposits to off-balance sheet according to Circular 210 and Circular 334
- [2] Reclassification of trusted investment according to Circular 210 and Circular 334
- [3] Reclassification of receivables according to Circular 210 and Circular 334
- [4] Reclassification of other assets according to Circular 210 and Circular 334

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.7 Reclassification of comparative figures (continued)

Extract from the consolidated statement of financial (continued)

ITEMS	Notes	31 December 2015 (previously reported)	Reclassification	31 December 2015 (restated)
CURRENT LIABILITIES		6,669,872,389,630	(1,244,049,806,393)	5,425,822,583,238
Payables for securities trading activities	[5]	1,550,598,384,658	(1,241,656,219,532)	308,942,165,126
Employee benefits (*)	[5]	-	6,742,952	6,742,952
Dividend, principal and interest payables (**)	[5]	10,002,807,034	(10,002,807,034)	-
Payables to securities issuers (**)	[5]	689,438,960	(689,438,960)	-
Other current liabilities	[5]	186,619,220,070	8,291,916,192	194,911,136,262
Long-term borrowings (**)	[5]	687,500,000,000	(687,500,000,000)	-
Long-term bonds (*)	[5]	-	687,500,000,000	687,500,000,000
Long-term deposits received (*)	[5]	-	453,246,599	453,246,599
Other long-term payables (**)	[5]	453,246,599	(453,246,599)	-
OWNERS' EQUITY		6,727,609,014,290	-	6,727,609,014,290
Difference from revaluation of financial assets at fair value (*)	[6]	-	(3,123,757,542)	(3,123,757,542)
Financial reserve and legal reserves (**)	[6]	451,646,309,750	(451,646,309,750)	-
Charter capital supplementary reserve (*)	[6]	-	268,076,952,217	268,076,952,217
Operational and financial reserve (*)	[6]	-	183,569,357,533	183,569,357,533
Undistributed profit	[6]	1,338,666,458,296	3,123,757,542	1,341,790,215,838
- Unrealized profit (*)	[6]	-	(186,249,268,054)	(186,249,268,054)
- Realized profit (*)	[6]	-	1,528,039,483,892	1,528,039,483,892
TOTAL LIABILITIES AND OWNERS' EQUITY		13,397,481,403,920	(1,244,049,806,392)	12,153,431,597,528

(*) New items in the statement of financial position as required by Circular 210 and Circular 334.

(**) Items of the balance sheet which are no longer presented in accordance with Circular 210 and Circular 334.

Detailed adjustments for main items are as follows:

[5] Reclassification of liabilities according to Circular 210 and Circular 334

[6] Reclassification of owners' equity according to Circular 210 and Circular 334

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.7 Reclassification of comparative figures (continued)

Extract from the consolidated income statement

ITEMS	Notes	Previous year (previously reported)	Reclassification	Previous year (restated)
Net revenue (**)	[7]	1,332,878,376,539	(1,332,878,376,539)	-
Total operating revenue (*)	[7]	-	1,547,518,713,389	1,547,518,713,389
Revenue from securities investment and capital contribution (**)	[7]	389,744,410,192	(389,744,410,192)	-
Gain from financial assets at FVTPL (*)	[7]	-	603,499,177,813	603,499,177,813
Gain from HTM investments (*)	[7]	-	194,038,113,177	194,038,113,177
Gain from loans and receivables (*)	[7]	-	297,393,256,685	297,393,256,685
Gain from AFS financial assets (*)	[7]	-	40,681,868,509	40,681,868,509
Revenue from brokerage activities	[7]	287,613,812,686	(25,109,648)	287,588,703,038
Revenue from advisory services (**)	[7]	44,704,036,602	(44,704,036,602)	-
Revenue from securities investments advisory services (*)	[7]	-	13,652,830,477	13,652,830,477
Revenue from securities custodian services	[7]	7,363,774,946	(407,173)	7,363,367,773
Revenue from financial advisory services (*)	[7]	-	31,051,206,125	31,051,206,125
Revenue from portfolio management and fund management activities (**)	[7]	13,730,952,472	(13,730,952,472)	-
Revenue from property lease (**)	[7]	7,234,566,832	(7,234,566,832)	-
Other revenues (**)	[7]	571,120,435,328	(571,120,435,328)	-
Other income (*)	[7]	-	59,860,140,340	59,860,140,340
Net operating expenses (**)	[8]	315,673,875,950	(315,673,875,950)	-
Operating expenses (*)	[8]	-	495,009,251,967	495,009,251,967
Direct operating expense (**)	[8]	612,871,847,693	(612,871,847,693)	-
Reversal of provision expense for impairment of securities (**)	[8]	(297,197,971,743)	297,197,971,743	-
Loss from financial assets at FVTPL (*)	[8]	-	172,948,769,284	172,948,769,284
Provision for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans (*)	[8]	-	506,369,514	506,369,514
Expenses for proprietary trading activities (*)	[8]	-	273,979,827	273,979,827
Expenses for brokerage activities (*)	[8]	-	223,408,493,002	223,408,493,002
Expenses for securities underwriting and securities issuance agency services (*)	[8]	-	30,000,000	30,000,000
Expenses for securities investment advisory services (*)	[8]	-	11,522,471,372	11,522,471,372

(*) New items in the income statement as required by Circular 210 and Circular 334.

(**) Items of the previous income statement which are no longer presented in accordance with Circular 210 and Circular 334.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.7 *Reclassification of comparative figures* (continued)

Extract from the consolidated income statement (continued)

ITEMS	Notes	Previous year (previously reported)	Reclassification	Previous year (restated)
Expenses for securities custodian services (*)	[8]	-	11,074,672,752	11,074,672,752
Expenses for financial advisory services (*)	[8]	-	15,192,643,403	15,192,643,403
Other expenses (*)	[8]	-	60.051.852.813	60.051.852.813
Total finance income (*)	[7]	-	255,422,576,215	255,422,576,215
Realized and unrealized gain from changes in foreign exchange rates (*)	[7]	-	6,002,789	6,002,789
Interest income from demand deposits (*)	[7]	-	37,618,596,063	37,618,596,063
Gain from disposal of investments in associates (*)	[7]	-	107,833,951,553	107,833,951,553
Share of profits from associates	[7]	54,964,787,658	54,999,238,152	109,964,025,810
Total finance expenses	[8]	-	125,256,024,645	125,256,024,645
Realized and unrealized loss from changes in foreign exchange rates (*)	[8]	-	49,913,132	49,913,132
Borrowing costs (*)	[8]	-	125,206,111,513	125,206,111,513
General administrative expenses	[8]	13,070,565,157	120,845,886,250	133,916,451,407
Profit before tax		1,064,136,802,562	(10,339,161,505)	1,053,797,641,057
Realized profit (*)		-	821,938,068,964	821,938,068,964
Unrealized profit (*)		-	231,859,572,093	231,859,572,093
Profit after tax		850,199,242,630	(10,339,161,505)	839,860,081,125
Profit after tax attributable to the Company's owners (*)		851,905,717,886	(10,339,161,505)	841,566,556,381
Gain/(loss) from revaluation of AFS financial assets (*)		-	10,339,161,500	10,339,161,500
Total other comprehensive income (*)		-	10,339,161,500	10,339,161,500
Other comprehensive income attributable to the Company's owners (*)		-	10,344,068,020	10,344,068,020
Other comprehensive income attributable to non-controlling interests (*)		-	(4,906,520)	(4,906,520)

(*) New items in the income statement as required by Circular 210 and Circular 334.

(**) Items of the previous income statement which are no longer presented in accordance with Circular 210 and Circular 334.

Detailed adjustments for main items are as follows:

[7] Reclassification of operating revenues according to Circular 210 and Circular 334

[8] Reclassification of operating expenses according to Circular 210 and Circular 334

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2016 and for the year then ended

44. OTHER INFORMATION (continued)

44.7 Reclassification of comparative figures (continued)

Extract from the consolidated cash flow statement

ITEMS	Note	Previous year (previously reported)	Reclassify	Previous year (restated)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1,952,651,885,005	(945,003,315,998)	1,007,648,569,007
Cash at banks of the Company	[9]	1,577,651,885,005	(945,003,315,998)	632,648,569,007
Cash equivalents	[9]	375,000,000,000	-	375,000,000,000
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		1,990,410,102,161	(1,244,049,806,886)	746,360,295,275
Cash at banks of the Company	[9]	1,755,410,102,161	(1,249,967,294,070)	505,442,808,091
Cash equivalents	[9]	235,000,000,000	-	235,000,000,000
Foreign exchange rate differences	[9]	-	5,917,487,184	5,917,487,184

[9] Reclassification of investors' deposits out of the Company's cash and cash equivalents in accordance with Circular 210 and Circular 334

45. EVENT AFTER THE REPORTING DATE

As at 19 January 2017, the Company issued ordinary bonds (code: SSIBOND012017) with par value of VND 300 billion and no collateral under the Resolution No. 01/2017/NQ-HDQT dated 16 January 2017.

Other than the event disclosed above, there has been no matter or circumstance that has arisen since the reporting date which is required to be disclosed in the consolidated financial statements.



Ms. Hoang Thi Minh Thuy
Chief Accountant



Ms. Nguyen Thi Thanh Ha
Chief Financial Officer



Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

27 March 2017